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# **MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2016/17 – 2018/19**

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| <h2><b>BEAUFORT WEST MUNICIPALITY</b></h2> |
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## **Annexure A**

Municipal Budget Circular No. 78 for the 2016/17 MTREF.

## **Annexure B**

Municipal Budget Circular No. 79 for the 2016/17 MTREF.

# PART 1:

## 1.1 Mayor's Report

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Honourable Speaker and Council, as required by section 3 of Schedule A of the Municipal Budget Regulations, I hereby wish to report in summary as follows on the annual budget of the municipality.

An overview of the 2016/17 – 2018/19 MTREF as follows:

| Description                           | Budget Year<br>2016/17 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|---------------------------------------|------------------------|---------------------------|---------------------------|
| <b>R thousands</b>                    | <b>R'000</b>           | <b>R'000</b>              | <b>R'000</b>              |
| Total Operating Revenue               | 261 892                | 290 910                   | 305 709                   |
| Total Operating Expenditure           | 275 960                | 309 029                   | 324 047                   |
| Surplus/(Deficit)                     | (14 068)               | (18 119)                  | (18 338)                  |
| Transfers recognised - capital        | 30 545                 | 30 204                    | 26 546                    |
| <b>Surplus/(Deficit) for the year</b> | <b>16 477</b>          | <b>12 085</b>             | <b>8 208</b>              |

The medium-term service delivery objectives and the associated medium-term financial implications, as well as the linkages between the tabled annual budget and the Integrated Development Plan, is contained in budget schedules SA4, 5 and 6.

We remain dependent on grant funds for capital projects which is a limitation on our ability to structurally grow and develop our local economy. The proposed capital programme is thus mainly funded by the Municipal Infrastructure Grant to the amount of R25.8 million and the Integrated National Electrification Programme to the amount of R4.5 million.

Honourable Speaker and Council, our financial position remains vulnerable and risky and therefore we need to persist with cost saving measures in order to turn around our current dire financial position.

## 1.2 Resolutions

### 1.2.1 Consideration of the Annual Tabled Budget by Council

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- a) In terms of Section 16 of the MFMA, the mayor must table the annual budget at a council meeting, at least 90 days before the start of the budget year. **The annual budget had been prepared and it is accordingly hereby tabled in Council for consideration.**
- b) **It is recommended that Council consider;**
- the tabled medium term revenue and expenditure framework for 2016/17 – 2018/19;
  - The following tariff increases are proposed for the 2016/17 financial year:
    - Property rates - 7%
    - Water - 7%
    - Sanitation - 7%
    - Refuse removal - 7%
    - Electricity - 9.4%
    - Sundry Tariffs - 5%

### 1.2.2 Publication of the Annual Tabled Budget for Public Consultation

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- a) **It is also recommended** that Council approve that the annual budget be made public within ten working days after tabling in Council as required by MFMA Budget Regulation 13(1).

### 1.2.3 Submission to Provincial and National Treasury

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- a) **It is also recommended** that Council approve the submission of the annual budget to the Provincial Treasury and the National Treasury, within ten working days after tabling in Council.

## 1.3 Executive Summary

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The Beaufort West Municipality has no municipal entities and do not utilise any external mechanisms for service delivery. The rising costs of operating expenses has a negative impact on the annual budget and consequently leads to higher tariffs to be charged for municipal services.

Tariffs for the 2016/17 financial year will increase by an average of 7% which is higher than inflation but is mainly driven by the steep increase of 9.4% in electricity as prescribed by the attached Municipal Budget Circular No.78 (**Annexure A**) issued by the National Treasury.

The past financial year had been better than the previous year but our financial position is still not stable as we continued to utilise an overdraft to finance our operations. The monthly financial reports indicate an improvement in the financial position of the municipality but the overall financial position of the municipality remains vulnerable. It remains our medium term revenue and expenditure strategy to improve our liquidity position, eliminate the use of an overdraft and become financially stable again.

The annual budget of the municipality is linked with the Integrated Development Plan and this alignment is illustrated in budget schedules SA 4, 5 and 6. It should further be noted that whilst it is legislatively required to annually review the Integrated Development Plan, no significant amendments were made to the current document.

The Beaufort West Municipality are in alignment with the achievement of national, provincial and district priorities by providing more than the minimum Free Basic Services to the poor and being the implementing agent of various Housing and Electrification projects in the Central Karoo District. We also support the inter-governmental relations platforms and we work well with government departments and agencies to implement the priorities of government.

The constant increase in the number of indigent applications which consequently leads to more pressure on the distribution and sharing of the Equitable Share Grant.

**There were no amendments that were made to the budget-related policies.**

An overview of the annual budget is provided below;

## **Total Operating Revenue**

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Revenue is projected to **decrease by 6.4%** from R312.38 million in 2015/16 to R292.43 million in 2016/17. The major revenue items are as follows:

| Major revenue items                | Current Year<br>2015/16 | Budget Year<br>2016/17 | % of total<br>revenue | % incr / (decr) |
|------------------------------------|-------------------------|------------------------|-----------------------|-----------------|
| Property rates                     | 26 807                  | 28 305                 | 9.7%                  | 5.6%            |
| Service charges                    | 105 872                 | 110 853                | 37.9%                 | 4.7%            |
| Investment revenue                 | 1 240                   | 1 260                  | 0.4%                  | 1.6%            |
| Transfers recognised - operational | 93 826                  | 63 897                 | 21.8%                 | -31.9%          |
| Other own revenue                  | 57 990                  | 57 578                 | 19.7%                 | -0.7%           |
| Transfers recognised - capital     | 26 651                  | 30 545                 | 10.4%                 | 14.6%           |
| <b>Total Revenue</b>               | <b>312 386</b>          | <b>292 437</b>         | <b>100%</b>           | <b>-6.4%</b>    |

Revenue from service charges represents the bulk of the revenue at 37.9% followed by operational grants of 21.8%, property rates 9.7%, transfers recognised capital 10.4%, other own revenue 19.7% and investment revenue at 0.4%.

## **Total Operating Expenditure**

The operational expenditure **has decreased by 7.4%** from R298.15 million in 2015/16 to R275.96 million in 2016/17. The major expenditure items are as follows:

| Major expenditure items         | Current Year<br>2015/16 | Budget Year<br>2016/17 | % of total<br>expenditure | % incr / (decr) |
|---------------------------------|-------------------------|------------------------|---------------------------|-----------------|
| Employee costs                  | 81 281                  | 86 951                 | 31.5%                     | 7.0%            |
| Remuneration of councillors     | 4 776                   | 4 967                  | 1.8%                      | 4.0%            |
| Depreciation & asset impairment | 16 064                  | 16 152                 | 5.9%                      | 0.6%            |
| Finance charges                 | 1 539                   | 1 633                  | 0.6%                      | 6.1%            |
| Materials and bulk purchases    | 83 865                  | 87 136                 | 31.6%                     | 3.9%            |
| Transfers and grants            | 60                      | 150                    | 0.1%                      | 150.0%          |
| Other expenditure               | 110 571                 | 78 971                 | 28.6%                     | -28.6%          |
| <b>Surplus/(Deficit)</b>        | <b>298 155</b>          | <b>275 960</b>         | <b>100%</b>               | <b>-7.4%</b>    |

Employee costs and materials & bulk purchases represents the bulk of the expenditure at 31.5% and 31.6% respectively. Other expenditure comprises among others general expenses

such as telephone, audit costs, security services, debt impairment, as well as expenditure on low cost housing (top structures) and electrification of Central Karoo.

## Total Capital Expenditure

A capital budget amounting to R32.16 million is proposed for 2016/17 (R14.20 million and R14.77 million for the outer years). The capital budget will be funded as follows:

| <b>Funded by:</b>                           | <b>Current Year<br/>2015/16</b> | <b>Budget Year<br/>2016/17</b> | <b>Budget Year +1<br/>2017/18</b> | <b>Budget Year +2<br/>2018/19</b> |
|---|---------------------------------|--------------------------------|-----------------------------------|-----------------------------------|
| National Government                         | 24 808                          | 30 035                         | 14 204                            | 14 774                            |
| Provincial Government                       | 1 692                           | 510                            | –                                 | –                                 |
| District Municipality                       | –                               | –                              | –                                 | –                                 |
| Other transfers and grants                  | –                               | –                              | –                                 | –                                 |
| <b>Transfers recognised - capital</b>       | <b>26 500</b>                   | <b>30 545</b>                  | <b>14 204</b>                     | <b>14 774</b>                     |
| <b>Public contributions &amp; donations</b> | 151                             | –                              | –                                 | –                                 |
| <b>Borrowing</b>                            | 2 460                           | –                              | –                                 | –                                 |
| <b>Internally generated funds</b>           | 5 318                           | 1 623                          | –                                 | –                                 |
| <b>Total Capital Funding</b>                | <b>34 429</b>                   | <b>32 168</b>                  | <b>14 204</b>                     | <b>14 774</b>                     |

## 1.4 Annual Budget Tables

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In accordance with the Budget and Reporting Regulations the following compulsory schedules are attached reflecting the detail of the above mentioned amounts.

- Budget Summary Table A1
- Budgeted Financial Performance Table A2
- Budgeted Financial Performance Table A3
- Budgeted Financial Performance Table A4
- Budgeted Capital Expenditure by vote, standard classification Table A5
- Budgeted Financial Position Table A6
- Budgeted Cash flows Table A7
- Cash backed reserves/accumulated surplus reconciliation A8
- Asset Management Table A9
- Basic Service Delivery Measurement Table A10

The required main budget schedules (Table A1 – A10) as listed above are being provided below;

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# 1.4.1 Budget Summary Table A1

WC053 Beaufort West - Table A1 Budget Summary

| Description  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousands  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Financial Performance</b>   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Property rates   | 22 253          | 23 192          | 25 057          | 26 807               | 26 807          | 26 807             | 26 807            | 28 305  | 30 003                 | 31 803                 |
| Service charges  | 78 302          | 85 099          | 88 399          | 103 838              | 105 872         | 105 872            | 105 872           | 110 853   | 116 747                | 123 752                |
| Investment revenue   | 979             | 1 012           | 1 893           | 1 240                | 1 240           | 1 240              | 1 240             | 1 260   | 1 336                  | 1 416                  |
| Transfers recognised - operational                                   | 65 941          | 77 919          | 76 782          | 98 681               | 93 826          | 93 826             | 93 826            | 63 897  | 87 127                 | 92 019                 |
| Other own revenue  | 23 051          | 50 193          | 60 142          | 26 611               | 57 990          | 57 990             | 57 990            | 57 578  | 55 697                 | 56 719                 |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>190 526</b>  | <b>237 415</b>  | <b>252 273</b>  | <b>257 177</b>       | <b>285 734</b>  | <b>285 734</b>     | <b>285 734</b>    | <b>261 892</b>                                      | <b>290 910</b>         | <b>305 709</b>         |
| Employee costs   | 62 335          | 67 914          | 73 426          | 81 529               | 81 281          | 81 281             | 81 281            | 86 951  | 92 998                 | 99 467                 |
| Remuneration of councillors  | 3 936           | 3 894           | 4 356           | 4 776                | 4 776           | 4 776              | 4 776             | 4 967   | 5 265                  | 5 581                  |
| Depreciation & asset impairment                                      | 13 328          | 25 024          | 18 215          | 16 064               | 16 064          | 16 064             | 16 064            | 16 152  | 15 095                 | 13 444                 |
| Finance charges  | 4 132           | 4 087           | 4 453           | 1 539                | 1 539           | 1 539              | 1 539             | 1 633   | 1 466                  | 1 244                  |
| Materials and bulk purchases   | 54 433          | 63 798          | 61 501          | 85 609               | 83 865          | 83 865             | 83 865            | 87 136  | 95 041                 | 100 442                |
| Transfers and grants   | 40              | 60              | 64              | 60                   | 60              | 60                 | 60                | 150   | 159                    | 169                    |
| Other expenditure  | 59 563          | 89 457          | 96 878          | 79 138               | 110 571         | 110 571            | 110 571           | 78 971  | 99 004                 | 103 701                |
| <b>Total Expenditure</b>   | <b>197 767</b>  | <b>254 234</b>  | <b>258 894</b>  | <b>268 715</b>       | <b>298 155</b>  | <b>298 155</b>     | <b>298 155</b>    | <b>275 960</b>                                      | <b>309 029</b>         | <b>324 047</b>         |
| <b>Surplus/(Deficit)</b>   | <b>(7 240)</b>  | <b>(16 819)</b> | <b>(6 621)</b>  | <b>(11 538)</b>      | <b>(12 421)</b> | <b>(12 421)</b>    | <b>(12 421)</b>   | <b>(14 068)</b>                                     | <b>(18 119)</b>        | <b>(18 338)</b>        |
| Transfers recognised - capital                                       | 51 170          | 21 348          | 37 652          | 16 643               | 26 500          | 26 500             | 26 500            | 30 545  | 30 204                 | 26 546                 |
| Contributions recognised - capital & contributed a                   | 61              | 363             | 52 296          | –                    | 151             | 151                | 151               | –   | –                      | –                      |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>43 991</b>   | <b>4 893</b>    | <b>83 328</b>   | <b>5 105</b>         | <b>14 230</b>   | <b>14 230</b>      | <b>14 230</b>     | <b>16 477</b>                                       | <b>12 085</b>          | <b>8 208</b>           |
| Share of surplus/ (deficit) of associate                             | –               | –               | –               | –                    | –               | –                  | –                 | –   | –                      | –                      |
| <b>Surplus/(Deficit) for the year</b>                                | <b>43 991</b>   | <b>4 893</b>    | <b>83 328</b>   | <b>5 105</b>         | <b>14 230</b>   | <b>14 230</b>      | <b>14 230</b>     | <b>16 477</b>                                       | <b>12 085</b>          | <b>8 208</b>           |
| <b>Capital expenditure &amp; funds sources</b>                       |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Capital expenditure</b>   | <b>54 204</b>   | <b>30 651</b>   | <b>92 797</b>   | <b>20 024</b>        | <b>34 429</b>   | <b>34 429</b>      | <b>34 429</b>     | <b>32 168</b>                                       | <b>14 204</b>          | <b>14 774</b>          |
| Transfers recognised - capital                                       | 51 170          | 21 348          | 37 652          | 16 643               | 26 500          | 26 500             | 26 500            | 30 545  | 14 204                 | 14 774                 |
| Public contributions & donations                                     | 61              | 363             | 52 296          | –                    | 151             | 151                | 151               | –   | –                      | –                      |
| Borrowing  | 2 358           | 4 092           | 790             | –                    | 2 460           | 2 460              | 2 460             | –   | –                      | –                      |
| Internally generated funds   | 615             | 4 848           | 2 058           | 3 381                | 5 318           | 5 318              | 5 318             | 1 623   | –                      | –                      |
| <b>Total sources of capital funds</b>                                | <b>54 204</b>   | <b>30 651</b>   | <b>92 797</b>   | <b>20 024</b>        | <b>34 429</b>   | <b>34 429</b>      | <b>34 429</b>     | <b>32 168</b>                                       | <b>14 204</b>          | <b>14 774</b>          |
| <b>Financial position</b>  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total current assets   | 48 628          | 49 429          | 65 258          | 44 660               | 60 078          | 61 117             | 61 117            | 64 529  | 74 084                 | 80 404                 |
| Total non current assets   | 381 292         | 388 898         | 469 734         | 420 403              | 488 203         | 488 203            | 488 203           | 504 329   | 503 555                | 505 009                |
| Total current liabilities  | 46 344          | 46 034          | 55 435          | 37 342               | 52 520          | 55 456             | 55 456            | 58 782  | 60 326                 | 60 373                 |
| Total non current liabilities  | 42 335          | 46 161          | 44 438          | 46 543               | 46 411          | 44 514             | 44 514            | 44 249  | 39 401                 | 38 921                 |
| Community wealth/Equity  | 341 240         | 346 132         | 435 119         | 381 179              | 449 350         | 449 350            | 449 350           | 465 826   | 477 911                | 486 120                |
| <b>Cash flows</b>  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Net cash from (used) operating                                       | 63 295          | 25 616          | 42 284          | 22 347               | 28 037          | 25 550             | 25 550            | 37 014  | 25 059                 | 19 102                 |
| Net cash from (used) investing                                       | (54 317)        | (32 343)        | (38 337)        | (20 024)             | (34 533)        | (34 533)           | (34 533)          | (32 278)  | (14 321)               | (14 898)               |
| Net cash from (used) financing                                       | (1 423)         | 567             | (2 768)         | (1 978)              | (837)           | 1 873              | 1 873             | (1 865)   | (5 981)                | (4 416)                |
| <b>Cash/cash equivalents at the year end</b>                         | <b>18 098</b>   | <b>11 937</b>   | <b>13 116</b>   | <b>3 954</b>         | <b>5 783</b>    | <b>6 006</b>       | <b>6 006</b>      | <b>8 877</b>  | <b>13 634</b>          | <b>13 421</b>          |
| <b>Cash backing/surplus reconciliation</b>                           |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash and investments available                                       | 18 098          | 11 937          | 13 116          | 3 954                | 5 783           | 6 006              | 6 006             | 8 877   | 13 634                 | 13 421                 |
| Application of cash and investments                                  | 12 717          | 10 382          | 11 954          | (14 881)             | (681)           | (372)              | (372)             | 3 010   | 760                    | (5 479)                |
| <b>Balance - surplus (shortfall)</b>                                 | <b>5 381</b>    | <b>1 555</b>    | <b>1 163</b>    | <b>18 836</b>        | <b>6 465</b>    | <b>6 378</b>       | <b>6 378</b>      | <b>5 867</b>  | <b>12 873</b>          | <b>18 899</b>          |
| <b>Asset management</b>  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Asset register summary (WDV)   | 377 926         | 383 557         | 467 998         | 414 978              | 486 363         | 486 363            | 502 379           | 502 379   | 501 488                | 502 818                |
| Depreciation & asset impairment                                      | 13 328          | 25 024          | 18 215          | 16 064               | 16 064          | 16 064             | 16 152            | 16 152  | 15 095                 | 13 444                 |
| Renewal of Existing Assets   | –               | –               | –               | –                    | –               | –                  | –                 | –   | –                      | –                      |
| Repairs and Maintenance  | 11 271          | 17 408          | 18 143          | 28 355               | 26 610          | 26 610             | 21 892            | 21 892  | 27 472                 | 28 819                 |
| <b>Free services</b>   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cost of Free Basic Services provided                                 | 12 190          | 12 651          | 15 109          | 14 754               | 14 754          | 14 754             | 14 754            | 14 754  | 15 389                 | 16 313                 |
| Revenue cost of free services provided                               | 2 184           | 2 437           | 2 632           | 3 259                | 3 259           | 3 259              | 3 259             | 3 259   | 3 487                  | 3 696                  |
| <b>Households below minimum service level</b>                        |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Water:   | 0               | 0               | 0               | 0                    | 0               | 0                  | –                 | –   | –                      | –                      |
| Sanitation/sewerage:   | –               | –               | –               | 1                    | 1               | 1                  | –                 | –   | –                      | –                      |
| Energy:  | –               | –               | –               | –                    | –               | –                  | –                 | –   | –                      | –                      |
| Refuse:  | –               | –               | –               | –                    | –               | –                  | –                 | –   | –                      | –                      |



## 1.4.2 Budgeted Financial Performance Table A2

WC053 Beaufort West - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

| Standard Classification Description        | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                                 | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Revenue - Standard</b>                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>       |     | 66 051          | 56 140          | 116 353         | 64 754               | 69 367          | 69 367             | 65 563  | 84 585                 | 90 983                 |
| Executive and council                      |     | 38 949          | 24 112          | 25 594          | 30 068               | 29 645          | 29 645             | 30 940  | 52 776                 | 56 502                 |
| Budget and treasury office                 |     | 26 605          | 31 717          | 37 887          | 34 352               | 38 525          | 38 525             | 33 012  | 31 373                 | 34 019                 |
| Corporate services                         |     | 497             | 311             | 52 872          | 335                  | 1 198           | 1 198              | 1 611   | 436                    | 462                    |
| <i>Community and public safety</i>         |     | 32 508          | 75 086          | 57 860          | 48 485               | 78 603          | 78 603             | 78 847  | 85 472                 | 85 097                 |
| Community and social services              |     | 4 053           | 4 161           | 6 403           | 6 553                | 7 637           | 7 637              | 6 901   | 6 284                  | 6 773                  |
| Sport and recreation                       |     | 514             | 1 266           | 2 083           | 3 547                | 2 635           | 2 635              | 13 812  | 5 194                  | 3 679                  |
| Public safety                              |     | 12 646          | 40 800          | 45 995          | 16 183               | 46 035          | 46 035             | 49 401  | 49 365                 | 50 007                 |
| Housing                                    |     | 15 294          | 28 859          | 3 380           | 22 203               | 22 297          | 22 297             | 8 733   | 24 630                 | 24 638                 |
| Health                                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Economic and environmental services</i> |     | 28 731          | 8 703           | 13 249          | 5 072                | 4 536           | 4 536              | 7 871   | 6 375                  | 5 822                  |
| Planning and development                   |     | 297             | 386             | 494             | 402                  | 1 179           | 1 179              | 402   | 108                    | 115                    |
| Road transport                             |     | 28 434          | 8 318           | 12 755          | 4 670                | 3 357           | 3 357              | 7 469   | 6 267                  | 5 707                  |
| Environmental protection                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Trading services</i>                    |     | 114 467         | 119 197         | 154 760         | 155 509              | 159 878         | 159 878            | 141 957   | 144 681                | 150 353                |
| Electricity                                |     | 74 713          | 73 328          | 95 699          | 99 736               | 100 283         | 100 283            | 84 319  | 85 624                 | 91 158                 |
| Water                                      |     | 15 724          | 21 271          | 25 391          | 24 109               | 26 457          | 26 457             | 25 709  | 36 444                 | 33 142                 |
| Waste water management                     |     | 17 649          | 17 727          | 25 990          | 23 413               | 24 967          | 24 967             | 23 605  | 14 683                 | 17 853                 |
| Waste management                           |     | 6 381           | 6 871           | 7 680           | 8 252                | 8 171           | 8 171              | 8 324   | 7 931                  | 8 200                  |
| <i>Other</i>                               | 4   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Revenue - Standard</b>            | 2   | 241 757         | 259 127         | 342 222         | 273 820              | 312 386         | 312 386            | 294 237   | 321 114                | 332 255                |
| <b>Expenditure - Standard</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>       |     | 40 534          | 54 181          | 47 150          | 47 328               | 51 325          | 51 325             | 50 025  | 51 142                 | 54 650                 |
| Executive and council                      |     | 13 935          | 16 448          | 14 372          | 15 494               | 15 890          | 15 890             | 15 307  | 16 253                 | 17 278                 |
| Budget and treasury office                 |     | 15 249          | 14 069          | 17 672          | 17 477               | 19 849          | 19 849             | 18 773  | 20 046                 | 21 797                 |
| Corporate services                         |     | 11 351          | 23 665          | 15 107          | 14 356               | 15 586          | 15 586             | 15 945  | 14 843                 | 15 575                 |
| <i>Community and public safety</i>         |     | 41 079          | 83 680          | 63 250          | 54 547               | 86 871          | 86 871             | 74 062  | 93 765                 | 97 417                 |
| Community and social services              |     | 6 253           | 7 291           | 7 663           | 9 792                | 10 946          | 10 946             | 10 921  | 11 502                 | 11 785                 |
| Sport and recreation                       |     | 5 473           | 7 099           | 6 244           | 7 566                | 7 636           | 7 636              | 7 729   | 8 243                  | 8 745                  |
| Public safety                              |     | 13 320          | 39 548          | 44 839          | 13 867               | 44 826          | 44 826             | 45 423  | 48 102                 | 50 899                 |
| Housing                                    |     | 16 033          | 29 741          | 4 504           | 23 321               | 23 464          | 23 464             | 9 989   | 25 919                 | 25 987                 |
| Health                                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Economic and environmental services</i> |     | 19 509          | 20 499          | 23 159          | 28 345               | 25 404          | 25 404             | 28 358  | 29 771                 | 31 061                 |
| Planning and development                   |     | 4 255           | 4 273           | 4 115           | 4 846                | 4 962           | 4 962              | 5 103   | 5 476                  | 5 736                  |
| Road transport                             |     | 15 254          | 16 227          | 19 043          | 23 499               | 20 442          | 20 442             | 23 255  | 24 294                 | 25 325                 |
| Environmental protection                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Trading services</i>                    |     | 96 421          | 95 581          | 124 975         | 138 098              | 134 117         | 134 117            | 124 860   | 133 867                | 140 405                |
| Electricity                                |     | 64 481          | 62 366          | 80 041          | 93 387               | 86 081          | 86 081             | 76 279  | 85 365                 | 89 878                 |
| Water                                      |     | 19 822          | 17 759          | 20 486          | 22 160               | 24 143          | 24 143             | 24 113  | 23 371                 | 24 226                 |
| Waste water management                     |     | 4 118           | 5 045           | 8 216           | 9 017                | 9 771           | 9 771              | 10 718  | 10 721                 | 11 288                 |
| Waste management                           |     | 8 000           | 10 411          | 16 231          | 13 535               | 14 123          | 14 123             | 13 749  | 14 409                 | 15 013                 |
| <i>Other</i>                               | 4   | 224             | 292             | 328             | 397                  | 436             | 436                | 455   | 484                    | 514                    |
| <b>Total Expenditure - Standard</b>        | 3   | 197 767         | 254 234         | 258 861         | 268 715              | 298 155         | 298 155            | 277 760   | 309 029                | 324 047                |
| <b>Surplus/(Deficit) for the year</b>      |     | 43 991          | 4 893           | 83 361          | 5 105                | 14 230          | 14 230             | 16 477  | 12 085                 | 8 208                  |

## 1.4.3 Budgeted Financial Performance Table A3

WC053 Beaufort West - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

| Vote Description                              | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Revenue by Vote</b>                        | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - Municipal Manager                    |     | 517             | 491             | 1 067           | -                    | 688             | 688                | -   | -                      | -                      |
| Vote 2 - Director: Corporate Service          |     | 42 434          | 27 557          | 82 241          | 35 321               | 36 280          | 36 280             | 36 317  | 58 473                 | 62 653                 |
| Vote 3 - Director: Financial Services         |     | 26 024          | 31 334          | 37 923          | 34 386               | 38 559          | 38 559             | 33 067  | 31 432                 | 34 081                 |
| Vote 4 - Director: Engineering Services       |     | 62 000          | 48 008          | 66 276          | 55 725               | 58 017          | 58 017             | 71 921  | 62 403                 | 60 187                 |
| Vote 5 - Director: Community Services         |     | 36 069          | 78 409          | 59 016          | 48 653               | 78 560          | 78 560             | 68 613  | 83 182                 | 84 176                 |
| Vote 6 - Director: Electrical Services        |     | 74 713          | 73 328          | 95 699          | 99 736               | 100 283         | 100 283            | 84 319  | 85 624                 | 91 158                 |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Revenue by Vote</b>                  | 2   | <b>241 757</b>  | <b>259 127</b>  | <b>342 222</b>  | <b>273 820</b>       | <b>312 386</b>  | <b>312 386</b>     | <b>294 237</b>                                      | <b>321 114</b>         | <b>332 255</b>         |
| <b>Expenditure by Vote to be appropriated</b> | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - Municipal Manager                    |     | 3 502           | 3 560           | 3 866           | 3 808                | 4 947           | 4 947              | 4 332   | 4 635                  | 4 982                  |
| Vote 2 - Director: Corporate Service          |     | 22 287          | 36 247          | 25 862          | 28 170               | 28 773          | 28 773             | 28 365  | 30 071                 | 31 408                 |
| Vote 3 - Director: Financial Services         |     | 15 410          | 14 267          | 17 752          | 17 656               | 20 028          | 20 028             | 18 956  | 20 230                 | 21 993                 |
| Vote 4 - Director: Engineering Services       |     | 51 572          | 54 183          | 61 984          | 71 342               | 71 672          | 71 672             | 76 524  | 75 882                 | 79 233                 |
| Vote 5 - Director: Community Services         |     | 40 515          | 83 611          | 69 357          | 54 351               | 86 654          | 86 654             | 73 305  | 92 845                 | 96 554                 |
| Vote 6 - Director: Electrical Services        |     | 64 481          | 62 366          | 80 041          | 93 387               | 86 081          | 86 081             | 76 279  | 85 365                 | 89 878                 |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Expenditure by Vote</b>              | 2   | <b>197 767</b>  | <b>254 234</b>  | <b>258 861</b>  | <b>268 715</b>       | <b>298 155</b>  | <b>298 155</b>     | <b>277 760</b>                                      | <b>309 029</b>         | <b>324 047</b>         |
| <b>Surplus/(Deficit) for the year</b>         | 2   | <b>43 991</b>   | <b>4 893</b>    | <b>83 361</b>   | <b>5 105</b>         | <b>14 230</b>   | <b>14 230</b>      | <b>16 477</b>                                       | <b>12 085</b>          | <b>8 208</b>           |

## 1.4.4 Budgeted Financial Performance Table A4

| Description   | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousand  | 1    | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Revenue By Source   |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Property rates  | 2    | 21 646          | 22 792          | 24 583          | 26 187               | 26 187          | 26 187             | 26 187            | 27 705  | 29 367                 | 31 129                 |
| Property rates - penalties & collection charges               |      | 607             | 400             | 474             | 620                  | 620             | 620                | 620               | 600   | 636                    | 674                    |
| Service charges - electricity revenue                         | 2    | 51 718          | 56 621          | 57 777          | 71 893               | 71 893          | 71 893             | 71 893            | 72 655  | 77 014                 | 81 633                 |
| Service charges - water revenue                               | 2    | 11 493          | 12 150          | 13 386          | 13 147               | 15 130          | 15 130             | 15 130            | 17 993  | 19 073                 | 20 217                 |
| Service charges - sanitation revenue                          | 2    | 9 886           | 10 731          | 11 288          | 12 416               | 12 416          | 12 416             | 12 416            | 13 361  | 13 406                 | 14 211                 |
| Service charges - refuse revenue                              | 2    | 5 205           | 5 598           | 5 947           | 6 383                | 6 434           | 6 434              | 6 434             | 6 843   | 7 253                  | 7 689                  |
| Service charges - other                                       |      | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Rental of facilities and equipment                            |      | 750             | 815             | 1 678           | 1 146                | 1 225           | 1 225              | 1 225             | 1 275   | 1 351                  | 1 433                  |
| Interest earned - external investments                        |      | 979             | 1 012           | 1 893           | 1 240                | 1 240           | 1 240              | 1 240             | 1 260   | 1 336                  | 1 416                  |
| Interest earned - outstanding debtors                         |      | 1 392           | 1 858           | 1 969           | 2 135                | 2 135           | 2 135              | 2 135             | 2 087   | 2 212                  | 2 345                  |
| Dividends received  |      | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Fines   |      | 12 403          | 40 874          | 45 969          | 16 135               | 46 058          | 46 058             | 46 058            | 49 409  | 49 374                 | 50 016                 |
| Licences and permits  |      | 657             | 546             | 539             | 588                  | 588             | 588                | 588               | 610   | 647                    | 686                    |
| Agency services   |      | 472             | 541             | 609             | 670                  | 670             | 670                | 670               | 670   | 710                    | 753                    |
| Transfers recognised - operating                              |      | 65 941          | 77 919          | 76 782          | 98 681               | 93 826          | 93 826             | 93 826            | 63 897  | 87 127                 | 92 019                 |
| Other revenue   | 2    | 7 377           | 5 560           | 9 379           | 5 937                | 7 314           | 7 314              | 7 314             | 3 527   | 1 403                  | 1 487                  |
| Gains on disposal of PPE                                      |      | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Total Revenue (excluding capital transfers and contributions) |      | 190 526         | 237 415         | 252 273         | 257 177              | 285 734         | 285 734            | 285 734           | 261 892   | 290 910                | 305 709                |
| Expenditure By Type   |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Employee related costs  | 2    | 62 335          | 67 914          | 73 426          | 81 529               | 81 281          | 81 281             | 81 281            | 86 951  | 92 998                 | 99 467                 |
| Remuneration of councillors                                   |      | 3 936           | 3 894           | 4 356           | 4 776                | 4 776           | 4 776              | 4 776             | 4 967   | 5 265                  | 5 581                  |
| Debt impairment   | 3    | 8 000           | 27 217          | 40 121          | 7 191                | 37 233          | 37 233             | 37 233            | 37 233  | 39 467                 | 41 835                 |
| Depreciation & asset impairment                               | 2    | 13 328          | 25 024          | 18 215          | 16 064               | 16 064          | 16 064             | 16 064            | 16 152  | 15 095                 | 13 444                 |
| Finance charges   |      | 4 132           | 4 087           | 4 453           | 1 539                | 1 539           | 1 539              | 1 539             | 1 633   | 1 466                  | 1 244                  |
| Bulk purchases  | 2    | 43 162          | 46 390          | 43 358          | 57 255               | 57 255          | 57 255             | 57 255            | 65 244  | 67 569                 | 71 623                 |
| Other materials   | 8    | 11 271          | 17 408          | 18 143          | 28 355               | 26 610          | 26 610             | 26 610            | 21 892  | 27 472                 | 28 819                 |
| Contracted services   |      | 10 086          | 11 540          | 7 999           | 4 751                | 8 697           | 8 697              | 8 697             | 7 982   | 8 445                  | 8 967                  |
| Transfers and grants  |      | 40              | 60              | 64              | 60                   | 60              | 60                 | 60                | 150   | 159                    | 169                    |
| Other expenditure   | 4, 5 | 41 392          | 50 532          | 47 916          | 67 196               | 64 641          | 64 641             | 64 641            | 33 756  | 51 092                 | 52 899                 |
| Loss on disposal of PPE                                       |      | 86              | 168             | 841             | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Total Expenditure   |      | 197 767         | 254 234         | 258 894         | 268 715              | 298 155         | 298 155            | 298 155           | 275 960   | 309 029                | 324 047                |
| Surplus/(Deficit)   |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Transfers recognised - capital                                |      | 51 170          | 21 348          | 37 652          | 16 643               | 26 500          | 26 500             | 26 500            | 30 545  | 30 204                 | 26 546                 |
| Contributions recognised - capital                            | 6    | —               | —               | —               | —                    | 151             | 151                | 151               | —   | —                      | —                      |
| Contributed assets  |      | 61              | 363             | 52 296          | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Surplus/(Deficit) after capital transfers & contributions     |      | 43 991          | 4 893           | 83 328          | 5 105                | 14 230          | 14 230             | 14 230            | 16 477  | 12 085                 | 8 208                  |
| Taxation  |      | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Surplus/(Deficit) after taxation                              |      | 43 991          | 4 893           | 83 328          | 5 105                | 14 230          | 14 230             | 14 230            | 16 477  | 12 085                 | 8 208                  |
| Attributable to minorities                                    |      | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Surplus/(Deficit) attributable to municipality                |      | 43 991          | 4 893           | 83 328          | 5 105                | 14 230          | 14 230             | 14 230            | 16 477  | 12 085                 | 8 208                  |
| Share of surplus/ (deficit) of associate                      | 7    | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Surplus/(Deficit) for the year                                |      | 43 991          | 4 893           | 83 328          | 5 105                | 14 230          | 14 230             | 14 230            | 16 477  | 12 085                 | 8 208                  |

## 1.4.5 Budgeted Capital Expenditure by Vote Table A5

| Vote Description                                  | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousand  | 1   | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Capital expenditure - Vote</b>                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Multi-year expenditure to be appropriated</b>  | 2   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Vote 1 - Municipal Manager                        |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Vote 2 - Director: Corporate Service              |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Vote 3 - Director: Financial Services             |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Vote 4 - Director: Engineering Services           |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Vote 5 - Director: Community Services             |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Vote 6 - Director: Electrical Services            |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Capital multi-year expenditure sub-total</b>   | 7   | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Single-year expenditure to be appropriated</b> | 2   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Vote 1 - Municipal Manager                        |     | -               | 9               | 2               | 40                   | 40              | 40                 | 40                | -   | -                      | -                      |
| Vote 2 - Director: Corporate Service              |     | 392             | 355             | 53 737          | 726                  | 1 638           | 1 638              | 1 638             | -   | -                      | -                      |
| Vote 3 - Director: Financial Services             |     | 136             | 125             | 243             | 63                   | 48              | 48                 | 48                | 1 200   | -                      | -                      |
| Vote 4 - Director: Engineering Services           |     | 40 318          | 18 220          | 25 786          | 17 373               | 22 806          | 22 806             | 22 806            | 24 414  | 14 204                 | 14 774                 |
| Vote 5 - Director: Community Services             |     | 379             | 2 427           | 301             | 779                  | 623             | 623                | 623               | -   | -                      | -                      |
| Vote 6 - Director: Electrical Services            |     | 12 980          | 9 514           | 12 726          | 1 043                | 9 274           | 9 274              | 9 274             | 6 554   | -                      | -                      |
| <b>Capital single-year expenditure sub-total</b>  |     | 54 204          | 30 651          | 92 797          | 20 024               | 34 429          | 34 429             | 34 429            | 32 168  | 14 204                 | 14 774                 |
| <b>Total Capital Expenditure - Vote</b>           |     | 54 204          | 30 651          | 92 797          | 20 024               | 34 429          | 34 429             | 34 429            | 32 168  | 14 204                 | 14 774                 |
| <b>Capital Expenditure - Standard</b>             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Governance and administration</b>              |     | 361             | 474             | 53 472          | 923                  | 1 022           | 1 022              | 1 022             | 1 200   | -                      | -                      |
| Executive and council                             |     | -               | 16              | 11              | 181                  | 20              | 20                 | 20                | -   | -                      | -                      |
| Budget and treasury office                        |     | 136             | 125             | 195             | 53                   | 48              | 48                 | 48                | -   | -                      | -                      |
| Corporate services                                |     | 225             | 332             | 53 266          | 690                  | 953             | 953                | 953               | 1 200   | -                      | -                      |
| <b>Community and public safety</b>                |     | 688             | 2 018           | 1 029           | 2 762                | 3 519           | 3 519              | 3 519             | 14 337  | 14 204                 | 14 774                 |
| Community and social services                     |     | 329             | 383             | 522             | 105                  | 808             | 808                | 808               | -   | -                      | -                      |
| Sport and recreation                              |     | 359             | 883             | 337             | 2 470                | 2 524           | 2 524              | 2 524             | 14 337  | 14 204                 | 14 774                 |
| Public safety                                     |     | -               | 635             | 166             | 175                  | 175             | 175                | 175               | -   | -                      | -                      |
| Housing   |     | -               | 117             | 5               | 13                   | 13              | 13                 | 13                | -   | -                      | -                      |
| Health  |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Economic and environmental services</b>        |     | 35 589          | 7 968           | 8 059           | 2 427                | 6 561           | 6 561              | 6 561             | 3 004   | -                      | -                      |
| Planning and development                          |     | 237             | 2               | 15              | 20                   | 531             | 531                | 531               | -   | -                      | -                      |
| Road transport                                    |     | 35 352          | 7 966           | 8 044           | 2 407                | 6 031           | 6 031              | 6 031             | 3 004   | -                      | -                      |
| Environmental protection                          |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Trading services</b>                           |     | 17 566          | 20 190          | 30 237          | 13 913               | 23 327          | 23 327             | 23 327            | 13 627  | -                      | -                      |
| Electricity                                       |     | 12 980          | 9 514           | 12 726          | 1 043                | 9 274           | 9 274              | 9 274             | 6 554   | -                      | -                      |
| Water   |     | 3 654           | 4 673           | 1 539           | 4 016                | 4 351           | 4 351              | 4 351             | -   | -                      | -                      |
| Waste water management                            |     | 558             | 4 541           | 15 841          | 8 358                | 9 337           | 9 337              | 9 337             | 7 073   | -                      | -                      |
| Waste management                                  |     | 374             | 1 462           | 130             | 495                  | 364             | 364                | 364               | -   | -                      | -                      |
| <b>Other</b>                                      |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Total Capital Expenditure - Standard</b>       | 3   | 54 204          | 30 651          | 92 797          | 20 024               | 34 429          | 34 429             | 34 429            | 32 168  | 14 204                 | 14 774                 |
| <b>Funded by:</b>                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| National Government                               |     | 39 906          | 21 186          | 24 233          | 16 613               | 24 808          | 24 808             | 24 808            | 30 035  | 14 204                 | 14 774                 |
| Provincial Government                             |     | 11 264          | 163             | 13 419          | 30                   | 1 692           | 1 692              | 1 692             | 510   | -                      | -                      |
| District Municipality                             |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Other transfers and grants                        |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Transfers recognised - capital</b>             | 4   | 51 170          | 21 348          | 37 652          | 16 643               | 26 500          | 26 500             | 26 500            | 30 545  | 14 204                 | 14 774                 |
| <b>Public contributions &amp; donations</b>       | 5   | 61              | 363             | 52 296          | -                    | 151             | 151                | 151               | -   | -                      | -                      |
| <b>Borrowing</b>                                  | 6   | 2 358           | 4 092           | 790             | -                    | 2 460           | 2 460              | 2 460             | -   | -                      | -                      |
| <b>Internally generated funds</b>                 |     | 615             | 4 848           | 2 058           | 3 381                | 5 318           | 5 318              | 5 318             | 1 623   | -                      | -                      |
| <b>Total Capital Funding</b>                      | 7   | 54 204          | 30 651          | 92 797          | 20 024               | 34 429          | 34 429             | 34 429            | 32 168  | 14 204                 | 14 774                 |

## 1.4.6 Budgeted Financial Position Table A6

| Description                              | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousand                               |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| ASSETS                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Current assets                           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash                                     |     | 1 286           | 2 605           | 12              | 950                  | 783             | 1 006              | 1 006             | 877   | 634                    | 421                    |
| Call investment deposits                 | 1   | 16 812          | 9 332           | 15 036          | 3 004                | 5 000           | 5 000              | 5 000             | 8 000   | 13 000                 | 13 000                 |
| Consumer debtors                         | 1   | 20 640          | 28 866          | 26 674          | 32 252               | 30 579          | 31 396             | 31 396            | 31 778  | 36 411                 | 42 768                 |
| Other debtors                            |     | 4 389           | 4 612           | 20 544          | 4 815                | 20 544          | 20 544             | 20 544            | 20 544  | 20 544                 | 20 544                 |
| Current portion of long-term receivables |     | 2 334           | 1 222           | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Inventory                                | 2   | 3 166           | 2 791           | 2 992           | 3 638                | 3 171           | 3 171              | 3 171             | 3 330   | 3 496                  | 3 671                  |
| Total current assets                     |     | 48 628          | 49 429          | 65 258          | 44 660               | 60 078          | 61 117             | 61 117            | 64 529  | 74 084                 | 80 404                 |
| Non current assets                       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Long-term receivables                    |     | 1 622           | 3 677           | 1 735           | 3 934                | 1 840           | 1 840              | 1 840             | 1 950   | 2 067                  | 2 191                  |
| Investments                              |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Investment property                      |     | 9 381           | 8 648           | 8 381           | 8 336                | 8 381           | 8 381              | 8 381             | 8 115   | 7 849                  | 7 582                  |
| Investment in Associate                  |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Property, plant and equipment            | 3   | 368 210         | 374 641         | 452 173         | 406 542              | 470 027         | 470 027            | 470 027           | 486 518   | 486 102                | 487 879                |
| Agricultural                             |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Biological                               |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Intangible                               |     | 335             | 269             | 316             | 100                  | 827             | 827                | 827               | 618   | 409                    | 228                    |
| Other non-current assets                 |     | 1 745           | 1 664           | 7 128           | 1 491                | 7 128           | 7 128              | 7 128             | 7 128   | 7 128                  | 7 128                  |
| Total non current assets                 |     | 381 292         | 388 898         | 469 734         | 420 403              | 488 203         | 488 203            | 488 203           | 504 329   | 503 555                | 505 009                |
| TOTAL ASSETS                             |     | 429 919         | 438 327         | 534 992         | 465 063              | 548 280         | 549 320            | 549 320           | 568 858   | 577 639                | 585 413                |
| LIABILITIES                              |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Current liabilities                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Bank overdraft                           | 1   | —               | —               | 1 932           | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Borrowing                                | 4   | 2 809           | 3 476           | 3 764           | 3 953                | 2 780           | 4 927              | 4 927             | 4 398   | 4 398                  | 1 662                  |
| Consumer deposits                        |     | 1 160           | 1 139           | 1 227           | 1 374                | 1 374           | 1 374              | 1 374             | 1 429   | 1 486                  | 1 546                  |
| Trade and other payables                 | 4   | 35 219          | 33 909          | 36 133          | 23 996               | 35 367          | 36 156             | 36 156            | 39 306  | 40 111                 | 42 117                 |
| Provisions                               |     | 7 156           | 7 509           | 12 380          | 8 019                | 12 998          | 12 998             | 12 998            | 13 648  | 14 331                 | 15 047                 |
| Total current liabilities                |     | 46 344          | 46 034          | 55 435          | 37 342               | 52 520          | 55 456             | 55 456            | 58 782  | 60 326                 | 60 373                 |
| Non current liabilities                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Borrowing                                |     | 14 703          | 14 603          | 11 547          | 15 085               | 11 547          | 9 650              | 9 650             | 8 259   | 2 221                  | 481                    |
| Provisions                               |     | 27 632          | 31 558          | 32 891          | 31 458               | 34 864          | 34 864             | 34 864            | 35 990  | 37 181                 | 38 440                 |
| Total non current liabilities            |     | 42 335          | 46 161          | 44 438          | 46 543               | 46 411          | 44 514             | 44 514            | 44 249  | 39 401                 | 38 921                 |
| TOTAL LIABILITIES                        |     | 88 680          | 92 194          | 99 873          | 83 884               | 98 931          | 99 970             | 99 970            | 103 031   | 99 728                 | 99 293                 |
| NET ASSETS                               | 5   | 341 240         | 346 132         | 435 119         | 381 179              | 449 350         | 449 350            | 449 350           | 465 826   | 477 911                | 486 120                |
| COMMUNITY WEALTH/EQUITY                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Accumulated Surplus/(Deficit)            |     | 331 488         | 335 966         | 419 369         | 369 864              | 445 555         | 445 555            | 445 555           | 462 101   | 474 186                | 482 395                |
| Reserves                                 | 4   | 9 752           | 10 166          | 15 750          | 11 315               | 3 795           | 3 795              | 3 795             | 3 725   | 3 725                  | 3 725                  |
|  |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| TOTAL COMMUNITY WEALTH/EQUITY            | 5   | 341 240         | 346 132         | 435 119         | 381 179              | 449 350         | 449 350            | 449 350           | 465 826   | 477 911                | 486 120                |

## 1.4.7 Budgeted Cash Flows Table A7

| Description                                       | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousand  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Receipts</b>                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Property rates, penalties & collection charges    |     | 18 047          | 20 409          | 24 850          | 25 198               | 26 807          | 25 186             | 25 186            | 26 594  | 26 989                 | 27 972                 |
| Service charges                                   |     | 86 882          | 75 807          | 88 014          | 101 597              | 97 776          | 99 472             | 99 472            | 104 151   | 105 020                | 108 846                |
| Other revenue                                     |     | 19 052          | 23 166          | 2 987           | 22 312               | 26 653          | 25 739             | 25 739            | 26 414  | 24 349                 | 25 202                 |
| Government - operating                            | 1   | 65 024          | 75 009          | 80 471          | 98 681               | 91 729          | 91 729             | 91 729            | 63 897  | 87 127                 | 92 019                 |
| Government - capital                              | 1   | 56 987          | 28 322          | 37 652          | 16 643               | 24 908          | 24 908             | 24 908            | 30 545  | 30 204                 | 26 546                 |
| Interest  |     | 2 371           | 2 870           | 3 861           | 3 375                | 3 375           | 3 246              | 3 246             | 3 220   | 3 325                  | 3 478                  |
| Dividends   |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| <b>Payments</b>                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Suppliers and employees                           |     | (180 896)       | (195 820)       | (191 033)       | (243 861)            | (241 612)       | (243 131)          | (243 131)         | (216 025)   | (250 330)              | (263 549)              |
| Finance charges                                   |     | (4 132)         | (4 087)         | (4 453)         | (1 539)              | (1 539)         | (1 539)            | (1 539)           | (1 633)   | (1 466)                | (1 244)                |
| Transfers and Grants                              | 1   | (40)            | (60)            | (64)            | (60)                 | (60)            | (60)               | (60)              | (150)   | (159)                  | (169)                  |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  |     | <b>63 295</b>   | <b>25 616</b>   | <b>42 284</b>   | <b>22 347</b>        | <b>28 037</b>   | <b>25 550</b>      | <b>25 550</b>     | <b>37 014</b>                                       | <b>25 059</b>          | <b>19 102</b>          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Receipts</b>                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Proceeds on disposal of PPE                       |     | 114             | —               | 222             | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Decrease (increase) in non-current debtors        |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Decrease (increase) other non-current receivables |     | (288)           | (2 055)         | 1 941           | —                    | (104)           | (104)              | (104)             | (110)   | (117)                  | (124)                  |
| Decrease (increase) in non-current investments    |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| <b>Payments</b>                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Capital assets                                    |     | (54 143)        | (30 288)        | (40 500)        | (20 024)             | (34 429)        | (34 429)           | (34 429)          | (32 168)  | (14 204)               | (14 774)               |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  |     | <b>(54 317)</b> | <b>(32 343)</b> | <b>(38 337)</b> | <b>(20 024)</b>      | <b>(34 533)</b> | <b>(34 533)</b>    | <b>(34 533)</b>   | <b>(32 278)</b>                                     | <b>(14 321)</b>        | <b>(14 898)</b>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Receipts</b>                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Short term loans                                  |     | 2 358           | 4 092           | 790             | —                    | —               | 2 460              | 2 460             | —   | —                      | —                      |
| Borrowing long term/refinancing                   |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Increase (decrease) in consumer deposits          |     | —               | —               | —               | —                    | 147             | 147                | 147               | 55  | 57                     | 59                     |
| <b>Payments</b>                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Repayment of borrowing                            |     | (3 781)         | (3 526)         | (3 558)         | (1 978)              | (984)           | (734)              | (734)             | (1 920)   | (6 039)                | (4 476)                |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  |     | <b>(1 423)</b>  | <b>567</b>      | <b>(2 768)</b>  | <b>(1 978)</b>       | <b>(837)</b>    | <b>1 873</b>       | <b>1 873</b>      | <b>(1 865)</b>                                      | <b>(5 981)</b>         | <b>(4 416)</b>         |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      |     | <b>7 555</b>    | <b>(6 161)</b>  | <b>1 179</b>    | <b>345</b>           | <b>(7 333)</b>  | <b>(7 110)</b>     | <b>(7 110)</b>    | <b>2 871</b>  | <b>4 757</b>           | <b>(213)</b>           |
| Cash/cash equivalents at the year begin:          | 2   | 10 543          | 18 098          | 11 937          | 3 610                | 13 116          | 13 116             | 13 116            | 6 006   | 8 877                  | 13 634                 |
| Cash/cash equivalents at the year end:            | 2   | 18 098          | 11 937          | 13 116          | 3 954                | 5 783           | 6 006              | 6 006             | 8 877   | 13 634                 | 13 421                 |

## 1.4.8 Cash Backed Reserves Reconciliation Table A8

| Description                                       | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousand  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Cash and investments available</b>             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash/cash equivalents at the year end             | 1   | 18 098          | 11 937          | 13 116          | 3 954                | 5 783           | 6 006              | 6 006             | 8 877   | 13 634                 | 13 421                 |
| Other current investments > 90 days               |     | —               | —               | 0               | —                    | —               | 0                  | 0                 | (0)   | (0)                    | (0)                    |
| Non current assets - Investments                  | 1   | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| <b>Cash and investments available:</b>            |     | <b>18 098</b>   | <b>11 937</b>   | <b>13 116</b>   | <b>3 954</b>         | <b>5 783</b>    | <b>6 006</b>       | <b>6 006</b>      | <b>8 877</b>  | <b>13 634</b>          | <b>13 421</b>          |
| <b>Application of cash and investments</b>        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Unspent conditional transfers                     |     | 7 774           | 7 275           | 3 241           | 922                  | —               | —                  | —                 | —   | —                      | —                      |
| Unspent borrowing                                 |     | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Statutory requirements                            | 2   | (3 465)         | (3 932)         | (6 444)         | —                    | 2 780           | (2 338)            | (2 338)           | (1 323)   | (2 380)                | (6 460)                |
| Other working capital requirements                | 3   | 713             | (1 353)         | 223             | (15 804)             | (13 873)        | (6 264)            | (6 264)           | (4 049)   | (5 474)                | (7 878)                |
| Other provisions                                  |     | 3 909           | 4 016           | 4 224           | —                    | 6 617           | 4 435              | 4 435             | 4 657   | 4 889                  | 5 134                  |
| Long term investments committed                   | 4   | —               | —               | —               | —                    | —               | —                  | —                 | —   | —                      | —                      |
| Reserves to be backed by cash/investments         | 5   | 3 786           | 4 377           | 10 711          | —                    | 3 795           | 3 795              | 3 795             | 3 725   | 3 725                  | 3 725                  |
| <b>Total Application of cash and investments:</b> |     | <b>12 717</b>   | <b>10 382</b>   | <b>11 954</b>   | <b>(14 881)</b>      | <b>(681)</b>    | <b>(372)</b>       | <b>(372)</b>      | <b>3 010</b>  | <b>760</b>             | <b>(5 479)</b>         |
| <b>Surplus/(shortfall)</b>                        |     | <b>5 381</b>    | <b>1 555</b>    | <b>1 163</b>    | <b>18 836</b>        | <b>6 465</b>    | <b>6 378</b>       | <b>6 378</b>      | <b>5 867</b>  | <b>12 873</b>          | <b>18 899</b>          |

## 1.4.9 Asset Management Table A9

| Description                                    | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| R thousand                                     |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| CAPITAL EXPENDITURE                            |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Total New Assets</b>                        | 1    | 54 204          | 30 651          | 92 797          | 20 024               | 34 429          | 34 429             | 32 168  | 14 204                 | 14 774                 |
| Infrastructure - Road transport                |      | 35 196          | 5 855           | 7 999           | 2 220                | 5 844           | 5 844              | 6 504   | -                      | -                      |
| Infrastructure - Electricity                   |      | 12 822          | 9 351           | 11 827          | 975                  | 9 170           | 9 170              | 3 054   | -                      | -                      |
| Infrastructure - Water                         |      | 2 929           | 4 165           | 1 878           | 3 266                | 4 648           | 4 648              | -   | -                      | -                      |
| Infrastructure - Sanitation                    |      | 556             | 5 234           | 15 606          | 8 288                | 8 906           | 8 906              | 7 073   | -                      | -                      |
| Infrastructure - Other                         |      | 374             | 460             | 130             | 469                  | 338             | 338                | -   | -                      | -                      |
| Infrastructure                                 |      | 51 877          | 25 065          | 37 439          | 15 218               | 28 906          | 28 906             | 16 631  | -                      | -                      |
| Community                                      |      | 210             | 645             | 336             | 2 400                | 3 047           | 3 047              | 14 337  | 14 204                 | 14 774                 |
| Heritage assets                                |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                          |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                                   | 6    | 2 110           | 4 917           | 54 877          | 2 406                | 1 914           | 1 914              | 1 200   | -                      | -                      |
| Agricultural Assets                            |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                              |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                                    |      | 7               | 25              | 144             | -                    | 561             | 561                | -   | -                      | -                      |
| <b>Total Renewal of Existing Assets</b>        | 2    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure - Road transport                |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure - Electricity                   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure - Water                         |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure - Sanitation                    |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure - Other                         |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure                                 |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Community                                      |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Heritage assets                                |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                          |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                                   | 6    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Agricultural Assets                            |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                              |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                                    |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Capital Expenditure</b>               | 4    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure - Road transport                |      | 35 196          | 5 855           | 7 999           | 2 220                | 5 844           | 5 844              | 6 504   | -                      | -                      |
| Infrastructure - Electricity                   |      | 12 822          | 9 351           | 11 827          | 975                  | 9 170           | 9 170              | 3 054   | -                      | -                      |
| Infrastructure - Water                         |      | 2 929           | 4 165           | 1 878           | 3 266                | 4 648           | 4 648              | -   | -                      | -                      |
| Infrastructure - Sanitation                    |      | 556             | 5 234           | 15 606          | 8 288                | 8 906           | 8 906              | 7 073   | -                      | -                      |
| Infrastructure - Other                         |      | 374             | 460             | 130             | 469                  | 338             | 338                | -   | -                      | -                      |
| Infrastructure                                 |      | 51 877          | 25 065          | 37 439          | 15 218               | 28 906          | 28 906             | 16 631  | -                      | -                      |
| Community                                      |      | 210             | 645             | 336             | 2 400                | 3 047           | 3 047              | 14 337  | 14 204                 | 14 774                 |
| Heritage assets                                |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                          |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                                   | 6    | 2 110           | 4 917           | 54 877          | 2 406                | 1 914           | 1 914              | 1 200   | -                      | -                      |
| Agricultural Assets                            |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                              |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                                    |      | 7               | 25              | 144             | -                    | 561             | 561                | -   | -                      | -                      |
| TOTAL CAPITAL EXPENDITURE - Asset class        | 2    | 54 204          | 30 651          | 92 797          | 20 024               | 34 429          | 34 429             | 32 168  | 14 204                 | 14 774                 |
| ASSET REGISTER SUMMARY - PPE (WDV)             |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Infrastructure - Road transport                | 5    | 129 905         | 130 919         | 133 958         | 131 763              | 134 196         | 134 196            | 135 703   | 130 291                | 125 439                |
| Infrastructure - Electricity                   |      | 60 831          | 68 460          | 78 335          | 75 397               | 85 410          | 85 410             | 86 043  | 83 799                 | 81 556                 |
| Infrastructure - Water                         |      | 46 216          | 48 275          | 47 961          | 48 613               | 49 735          | 49 735             | 47 546  | 45 357                 | 43 168                 |
| Infrastructure - Sanitation                    |      | 46 883          | 50 502          | 64 475          | 68 997               | 71 419          | 71 419             | 76 558  | 74 693                 | 72 828                 |
| Infrastructure - Other                         |      | 1 002           | 1 412           | 3 395           | 3 334                | 3 554           | 3 554              | 3 221   | 3 164                  | 3 107                  |
| Infrastructure                                 |      | 284 837         | 299 567         | 328 124         | 328 104              | 344 314         | 344 314            | 349 071   | 337 305                | 326 097                |
| Community                                      |      | 14 941          | 14 599          | 13 792          | 15 807               | 16 253          | 16 253             | 30 060  | 43 750                 | 58 010                 |
| Heritage assets                                |      | 2 971           | 2 971           | 5 225           | 2 971                | 5 225           | 5 225              | 5 225   | 5 225                  | 5 225                  |
| Investment properties                          |      | 9 381           | 8 648           | 8 381           | 8 336                | 8 381           | 8 381              | 8 115   | 7 849                  | 7 582                  |
| Other assets                                   |      | 65 462          | 57 504          | 112 160         | 59 660               | 111 364         | 111 364            | 109 291   | 106 951                | 105 675                |
| Agricultural Assets                            |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                              |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                                    |      | 335             | 269             | 316             | 100                  | 827             | 827                | 618   | 409                    | 228                    |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV)       | 5    | 377 926         | 383 557         | 467 998         | 414 978              | 486 363         | 486 363            | 502 379   | 501 488                | 502 818                |
| EXPENDITURE OTHER ITEMS                        |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Depreciation &amp; asset impairment</b>     | 3    | 13 328          | 25 024          | 18 215          | 16 064               | 16 064          | 16 064             | 16 152  | 15 095                 | 13 444                 |
| <b>Repairs and Maintenance by Asset Class</b>  |      | 11 271          | 17 408          | 18 143          | 28 355               | 26 610          | 26 610             | 21 892  | 27 472                 | 28 819                 |
| Infrastructure - Road transport                |      | 1 514           | 2 338           | 1 534           | 3 808                | 3 808           | 3 808              | 3 400   | 3 604                  | 3 820                  |
| Infrastructure - Electricity                   |      | 1 272           | 1 964           | 4 314           | 3 199                | 3 199           | 3 199              | 2 726   | 7 890                  | 8 063                  |
| Infrastructure - Water                         |      | 794             | 1 227           | 2 932           | 1 998                | 1 998           | 1 998              | 2 070   | 2 187                  | 2 309                  |
| Infrastructure - Sanitation                    |      | 285             | 440             | 280             | 716                  | 716             | 716                | 397   | 420                    | 446                    |
| Infrastructure - Other                         |      | 508             | 785             | 378             | 1 279                | 216             | 216                | 980   | 1 039                  | 1 101                  |
| Infrastructure                                 |      | 4 372           | 6 753           | 9 438           | 10 999               | 9 936           | 9 936              | 9 573   | 15 740                 | 15 739                 |
| Community                                      |      | 1 091           | 1 685           | 976             | 2 745                | 2 745           | 2 745              | 995   | 1 075                  | 1 186                  |
| Heritage assets                                |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                          |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                                   | 6, 7 | 5 808           | 8 970           | 7 729           | 14 611               | 13 929          | 13 929             | 11 324  | 11 258                 | 11 895                 |
| TOTAL EXPENDITURE OTHER ITEMS                  |      | 24 599          | 42 433          | 36 358          | 44 419               | 42 674          | 42 674             | 38 044  | 42 567                 | 42 263                 |
| Renewal of Existing Assets as % of total capex |      | 0.0%            | 0.0%            | 0.0%            | 0.0%                 | 0.0%            | 0.0%               | 0.0%  | 0.0%                   | 0.0%                   |
| Renewal of Existing Assets as % of deprecn"    |      | 0.0%            | 0.0%            | 0.0%            | 0.0%                 | 0.0%            | 0.0%               | 0.0%  | 0.0%                   | 0.0%                   |
| R&M as a % of PPE                              |      | 3.1%            | 4.6%            | 4.0%            | 7.0%                 | 5.7%            | 5.7%               | 4.5%  | 5.7%                   | 5.9%                   |
| Renewal and R&M as a % of PPE                  |      | 3.0%            | 5.0%            | 4.0%            | 7.0%                 | 5.0%            | 5.0%               | 4.0%  | 5.0%                   | 6.0%                   |

# 1.4.10 Basic Service Delivery Measurement Table A10

WC053 Beaufort West - Table A10 Basic service delivery measurement

| Description  | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Household service targets</b>   | 1   |         |         |         |                      |                 |                    |   |                        |                        |
| <b>Water:</b>  |     |         |         |         |                      |                 |                    |   |                        |                        |
| Piped water inside dwelling  |     | 10 791  | 10 791  | 11 040  | 11 159               | 11 159          | 11 159             | 11 159  | 11 159                 | 11 159                 |
| Piped water inside yard (but not in dwelling)  | 2   | 900     | 900     | 900     | 40                   | 40              | 40                 | 40  | 40                     | 40                     |
| Using public tap (at least min.service level)  | 4   | 40      | 40      | 40      | 49                   | 49              | 49                 | 49  | 49                     | 49                     |
| Other water supply (at least min.service level)  | 4   | 20      | 20      | 20      | 31                   | 31              | 31                 | 31  | 31                     | 31                     |
| <i>Minimum Service Level and Above sub-total</i>   | 3   | 11 751  | 11 751  | 12 000  | 11 279               | 11 279          | 11 279             | 11 279  | 11 279                 | 11 279                 |
| Using public tap (< min.service level)   | 3   | 187     | 187     | 187     | —                    | —               | —                  | —   | —                      | —                      |
| Other water supply (< min.service level)   | 4   | —       | —       | —       | 187                  | 187             | 187                | 187   | 187                    | 187                    |
| No water supply  | 4   | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <i>Below Minimum Service Level sub-total</i>   | 5   | 187     | 187     | 187     | 187                  | 187             | 187                | 187   | 187                    | 187                    |
| <b>Total number of households</b>  | 5   | 11 938  | 11 938  | 12 187  | 11 466               | 11 466          | 11 466             | 11 466  | 11 466                 | 11 466                 |
| <b>Sanitation/sewerage:</b>  |     |         |         |         |                      |                 |                    |   |                        |                        |
| Flush toilet (connected to sewerage)   |     | 11 130  | 11 130  | 11 380  | 11 514               | 11 514          | 11 514             | 11 514  | 11 514                 | 11 514                 |
| Flush toilet (with septic tank)  |     | 808     | 808     | 808     | 1 568                | 1 568           | 1 568              | 1 568   | 1 568                  | 1 568                  |
| Chemical toilet  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Pit toilet (ventilated)  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Other toilet provisions (> min.service level)  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <i>Minimum Service Level and Above sub-total</i>   |     | 11 938  | 11 938  | 12 188  | 13 082               | 13 082          | 13 082             | 13 082  | 13 082                 | 13 082                 |
| Bucket toilet  |     | —       | —       | —       | 309                  | 309             | 309                | 309   | 309                    | 309                    |
| Other toilet provisions (< min.service level)  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| No toilet provisions   |     | —       | —       | —       | 305                  | 305             | 305                | 305   | 305                    | 305                    |
| <i>Below Minimum Service Level sub-total</i>   | 5   | —       | —       | —       | 614                  | 614             | 614                | 614   | 614                    | 614                    |
| <b>Total number of households</b>  | 5   | 11 938  | 11 938  | 12 188  | 13 696               | 13 696          | 13 696             | 13 696  | 13 696                 | 13 696                 |
| <b>Energy:</b>   |     |         |         |         |                      |                 |                    |   |                        |                        |
| Electricity (at least min.service level)   |     | 2 284   | 2 284   | 2 284   | 2 284                | 2 284           | 2 284              | 2 284   | 2 284                  | 2 284                  |
| Electricity - prepaid (min.service level)  |     | 8 609   | 8 609   | 8 859   | 8 993                | 8 993           | 8 993              | 8 993   | 8 993                  | 8 993                  |
| <i>Minimum Service Level and Above sub-total</i>   |     | 10 893  | 10 893  | 11 143  | 11 277               | 11 277          | 11 277             | 11 277  | 11 277                 | 11 277                 |
| Electricity (< min.service level)  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Electricity - prepaid (< min. service level)   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Other energy sources   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <i>Below Minimum Service Level sub-total</i>   | 5   | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <b>Total number of households</b>  | 5   | 10 893  | 10 893  | 11 143  | 11 277               | 11 277          | 11 277             | 11 277  | 11 277                 | 11 277                 |
| <b>Refuse:</b>   |     |         |         |         |                      |                 |                    |   |                        |                        |
| Removed at least once a week   |     | 11 938  | 11 938  | 12 188  | 12 322               | 12 322          | 12 322             | 12 322  | 12 322                 | 12 322                 |
| <i>Minimum Service Level and Above sub-total</i>   |     | 11 938  | 11 938  | 12 188  | 12 322               | 12 322          | 12 322             | 12 322  | 12 322                 | 12 322                 |
| Removed less frequently than once a week   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Using communal refuse dump   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Using own refuse dump  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Other rubbish disposal   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| No rubbish disposal  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <i>Below Minimum Service Level sub-total</i>   | 5   | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <b>Total number of households</b>  | 5   | 11 938  | 11 938  | 12 188  | 12 322               | 12 322          | 12 322             | 12 322  | 12 322                 | 12 322                 |
| <b>Households receiving Free Basic Service</b>   | 7   |         |         |         |                      |                 |                    |   |                        |                        |
| Water (6 kilolitres per household per month)   |     | 4 267   | 4 847   | 5 100   | 6 476                | 6 476           | 6 476              | 6 750   | 6 950                  | 7 150                  |
| Sanitation (free minimum level service)  |     | 3 200   | 2 661   | 2 910   | 3 032                | 3 032           | 3 032              | 3 306   | 3 506                  | 3 706                  |
| Electricity/other energy (50kwh per household per month)   |     | 4 267   | 4 699   | 4 960   | 6 297                | 6 297           | 6 297              | 6 571   | 6 771                  | 6 971                  |
| Refuse (removed at least once a week)  |     | 1 154   | 957     | 1 200   | 1 334                | 1 334           | 1 334              | 1 608   | 1 808                  | 2 008                  |
| <b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>                                   | 8   |         |         |         |                      |                 |                    |   |                        |                        |
| Water (6 kilolitres per indigent household per month)  |     | 7 184   | 6 899   | 8 035   | 7 640                | 7 640           | 7 640              | 7 640   | 7 526                  | 7 977                  |
| Sanitation (free sanitation service to indigent households)  |     | 1 832   | 2 158   | 2 743   | 2 860                | 2 860           | 2 860              | 2 860   | 3 196                  | 3 387                  |
| Electricity/other energy (50kwh per indigent household per month)  |     | 2 665   | 2 885   | 3 427   | 3 310                | 3 310           | 3 310              | 3 310   | 3 642                  | 3 861                  |
| Refuse (removed once a week for indigent households)   |     | 509     | 709     | 903     | 945                  | 945             | 945                | 945   | 1 026                  | 1 087                  |
| <b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>                          |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <b>Total cost of FBS provided</b>  |     | 12 190  | 12 651  | 15 109  | 14 754               | 14 754          | 14 754             | 14 754  | 15 389                 | 16 313                 |
| <b>Highest level of free service provided per household</b>  |     |         |         |         |                      |                 |                    |   |                        |                        |
| Property rates (R value threshold)   |     | 19 000  | 19 000  | 19 000  | 19 000               | 19 000          | 19 000             | 19 000  | 19 000                 | 19 000                 |
| Water (kilolitres per household per month)   |     | 6       | 6       | 6       | 6                    | 6               | 6                  | 6   | 6                      | 6                      |
| Sanitation (kilolitres per household per month)  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Sanitation (Rand per household per month)  |     | 81      | 88      | 94      | 100                  | 100             | 100                | 108   | 114                    | 114                    |
| Electricity (kwh per household per month)  |     | 50      | 50      | 50      | 50                   | 50              | 50                 | 50  | 50                     | 50                     |
| Refuse (average litres per week)   |     | 90      | 90      | 90      | 90                   | 90              | 90                 | 90  | 90                     | 90                     |
| <b>Revenue cost of subsidised services provided (R'000)</b>  | 9   |         |         |         |                      |                 |                    |   |                        |                        |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)                           |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA |     | 2 184   | 2 437   | 2 632   | 3 259                | 3 259           | 3 259              | 3 259   | 3 487                  | 3 696                  |
| Water (in excess of 6 kilolitres per indigent household per month)   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Sanitation (in excess of free sanitation service to indigent households)                                   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Electricity/other energy (in excess of 50 kwh per indigent household per month)                            |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Refuse (in excess of one removal a week for indigent households)   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Municipal Housing - rental rebates   |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Housing - top structure subsidies  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| Other  |     | —       | —       | —       | —                    | —               | —                  | —   | —                      | —                      |
| <b>Total revenue cost of subsidised services provided</b>  | 6   | 2 184   | 2 437   | 2 632   | 3 259                | 3 259           | 3 259              | 3 259   | 3 487                  | 3 696                  |



## **PART 2:**

### **2.1 Overview of the Budget Assumptions**

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In terms of Budget Regulation 6, the Municipal Manager must take all reasonable steps to ensure that the basis of measurement and accounting policies underpinning the municipality's annual financial statements are the same as those used in the preparation of the municipality's annual budget and supporting documentation; and any differences or changes between financial years should be explicitly noted.

In this light it should be noted that the municipality is in the process of making changes to its method of calculating debt impairment which will impact on the figures provided in the annual financial statements. Other than this change, all the basis of measurement and accounting policies underpinning the municipality's annual financial statements are the same as those used in the preparation of the municipality's annual budget and supporting documentation.

The following assumptions were made when the budget was prepared:

- Employee costs will increase by 7%;
- Electricity bulk purchases increase by 9.4% in line with Eskom's electricity tariff increase to municipalities;
- CPIX for 2016/17 are projected at 6% and 5.8% for the outer years;
- It should be noted that most expenditure items is envisaged to increase by more than the projected inflation targets mainly due to expected increases in input costs; and
- Provision for doubtful debts is based on 10.07% of total rates and service charges.

### **2.2 Transfers and grant receipts**

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| Description  | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>RECEIPTS:</b>   | 1, 2 |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Operating Transfers and Grants</b>                    |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>National Government:</b>                              |      | 40 165          | 46 672          | 65 983          | 71 733               | 63 538          | 63 538             | 50 111  | 57 093                 | 61 448                 |
| Local Government Equitable Share                         |      | 32 765          | 35 567          | 38 990          | 44 160               | 44 160          | 44 160             | 46 569  | 50 393                 | 53 988                 |
| Finance Management                                       |      | 1 250           | 1 450           | 1 460           | 1 600                | 1 600           | 1 600              | 1 625   | 1 700                  | 1 700                  |
| Municipal Systems Improvement                            |      | 800             | 890             | 719             | 930                  | 930             | 930                | —   | —                      | 760                    |
| EPWP Incentive   |      | 1 000           | 1 000           | 1 834           | 1 743                | 1 743           | 1 743              | 1 617   | —                      | —                      |
| Energy Efficiency and Demand Management                  |      | —               | 3 000           | 3 452           | 8 000                | 8 000           | 8 000              | —   | 5 000                  | 5 000                  |
| Integrated National Electrification Programme            |      | 4 000           | 4 450           | 19 256          | 15 000               | 6 805           | 6 805              | —   | —                      | —                      |
| Municipal Infrastructure Grant (MIG) PMU                 |      | 350             | 315             | 271             | 300                  | 300             | 300                | 300   | —                      | —                      |
| Other transfers/grants [insert description]              |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Provincial Government:</b>                            |      | 23 758          | 28 016          | 15 901          | 26 948               | 27 714          | 27 714             | 13 786  | 30 034                 | 30 571                 |
| Human Settlements Development Grant                      |      | 19 030          | 23 607          | 3 196           | 22 080               | 22 080          | 22 080             | 8 610   | 24 500                 | 24 500                 |
| Library Service  |      | 2 993           | 3 244           | 3 585           | 4 570                | 4 570           | 4 570              | 4 800   | 5 088                  | 5 393                  |
| Community Development Workers (CDW)                      |      | 324             | 208             | 304             | 198                  | 234             | 234                | 206   | 206                    | 206                    |
| Thusong Service Centres Grant                            |      | 436             | —               | —               | 100                  | 100             | 100                | —   | —                      | 112                    |
| Department Local Government                              |      | 400             | 800             | 8 735           | —                    | —               | —                  | —   | —                      | —                      |
| Management Support Grant                                 |      | —               | —               | —               | —                    | 250             | 250                | 120   | 240                    | 360                    |
| IDP Review   |      | —               | —               | —               | —                    | 200             | 200                | —   | —                      | —                      |
| Mun. Capacity Grant                                      |      | —               | —               | —               | —                    | 250             | 250                | —   | —                      | —                      |
| Maintenance and Construction of Transport Infrastructure |      | —               | —               | 81              | —                    | 30              | 30                 | —   | —                      | —                      |
| Transport and Public Works                               |      | —               | —               | —               | —                    | —               | —                  | 50  | —                      | —                      |
| Refuse Recycling Project                                 |      | 347             | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Internship: Water  |      | 9               | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Internship: Roads  |      | 18              | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| World Aids Day   |      | —               | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Upgrade Sport Facilities Murraysburg                     |      | 200             | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Mandela Memorial Services                                |      | —               | 100             | —               | —                    | —               | —                  | —   | —                      | —                      |
| Compliance Module  |      | —               | 57              | —               | —                    | —               | —                  | —   | —                      | —                      |
| <b>District Municipality:</b>                            |      | 522             | 319             | 848             | —                    | —               | —                  | —   | —                      | —                      |
| Contribution EPWP  |      | 380             | 319             | 848             | —                    | —               | —                  | —   | —                      | —                      |
| Shared Services  |      | 142             | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| <b>Other grant providers:</b>                            |      | 579             | 3               | —               | —                    | 477             | 477                | —   | —                      | —                      |
| Disaster Fund  |      | 4               | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Existing Houses Nelspoort                                |      | 83              | 3               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Customer Care Services                                   |      | 491             | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Eskom  |      | —               | —               | —               | —                    | 317             | 317                | —   | —                      | —                      |
| Private-Farms Contribution                               |      | —               | —               | —               | —                    | 160             | 160                | —   | —                      | —                      |
| <b>Total Operating Transfers and Grants</b>              | 5    | 65 024          | 75 009          | 82 732          | 98 681               | 91 729          | 91 729             | 63 897  | 87 127                 | 92 019                 |
| <b>Capital Transfers and Grants</b>                      |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>National Government:</b>                              |      | 48 414          | 28 038          | 24 193          | 16 613               | 24 808          | 24 808             | 30 035  | 30 204                 | 26 546                 |
| Municipal Infrastructure Grant (MIG)                     |      | 21 087          | 20 038          | 14 439          | 13 347               | 13 347          | 13 347             | 25 535  | 14 204                 | 14 774                 |
| Accelerated Community Water Supply (ACIP) - DWAF         |      | —               | —               | —               | 3 266                | 3 266           | 3 266              | —   | —                      | —                      |
| Integrated National Electrification Programme Capital    |      | 21 000          | 8 000           | 9 735           | —                    | 8 195           | 8 195              | 4 500   | —                      | —                      |
| Regional Bulk Infrastructure                             |      | 1 028           | —               | 19              | —                    | —               | —                  | —   | 16 000                 | 11 772                 |
| Neighbourhood Development Partnership                    |      | 5 300           | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Other capital transfers/grants [insert desc]             |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Provincial Government:</b>                            |      | 8 573           | 149             | 3 585           | 30                   | 100             | 100                | 510   | —                      | —                      |
| Maintenance and Construction of Transport Infrastructure |      | —               | —               | —               | 30                   | —               | —                  | —   | —                      | —                      |
| Library Service  |      | 36              | 149             | 3 585           | —                    | —               | —                  | —   | —                      | —                      |
| Human Settlements Development Grant                      |      | 8 537           | —               | —               | —                    | —               | —                  | —   | —                      | —                      |
| Development of Sport and Recreation Facilities           |      | —               | —               | —               | —                    | —               | —                  | 510   | —                      | —                      |
| Municipal Infrastructure Support Grant                   |      | —               | —               | —               | —                    | 100             | 100                | —   | —                      | —                      |
| <b>District Municipality:</b>                            |      | —               | —               | 848             | —                    | —               | —                  | —   | —                      | —                      |
| Contribution EPWP  |      | —               | —               | 848             | —                    | —               | —                  | —   | —                      | —                      |
| <b>Other grant providers:</b>                            |      | —               | 135             | —               | —                    | —               | —                  | —   | —                      | —                      |
| Public contributions & Donations                         |      | —               | 135             | —               | —                    | —               | —                  | —   | —                      | —                      |
| <b>Total Capital Transfers and Grants</b>                | 5    | 56 987          | 28 322          | 28 627          | 16 643               | 24 908          | 24 908             | 30 545  | 30 204                 | 26 546                 |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>          |      | 122 011         | 103 331         | 111 359         | 115 324              | 116 637         | 116 637            | 94 442  | 117 331                | 118 565                |

## 2.3 Councillor Remuneration and Employee Benefits

| Summary of Employee and Councillor remuneration          | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand   |     | A               | B               | C               | D                    | E               | F                  | G   | H                      | I                      |
| <b>Councillors (Political Office Bearers plus Other)</b> | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 2 696           | 2 633           | 3 031           | 3 289                | 3 289           | 3 289              | 3 409   | 3 614                  | 3 830                  |
| Pension and UIF Contributions                            |     | 208             | 193             | 289             | 251                  | 251             | 251                | 339   | 359                    | 381                    |
| Medical Aid Contributions                                |     | 24              | 38              | 41              | 46                   | 46              | 46                 | 47  | 49                     | 52                     |
| Motor Vehicle Allowance                                  |     | 770             | 711             | 676             | 790                  | 790             | 790                | 830   | 880                    | 933                    |
| Cellphone Allowance                                      |     | 238             | 318             | 271             | 340                  | 340             | 340                | 292   | 309                    | 328                    |
| Housing Allowances                                       |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Other benefits and allowances                            |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <b>Sub Total - Councillors</b>                           |     | <b>3 936</b>    | <b>3 894</b>    | <b>4 309</b>    | <b>4 716</b>         | <b>4 716</b>    | <b>4 716</b>       | <b>4 917</b>  | <b>5 212</b>           | <b>5 524</b>           |
| <b>% increase</b>  | 4   |                 | (1.1%)          | 10.7%           | 9.4%                 | –               | –                  | 4.3%  | 6.0%                   | 6.0%                   |
| <b>Senior Managers of the Municipality</b>               | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 3 089           | 3 029           | –               | –                    | –               | –                  | –   | –                      | –                      |
| Pension and UIF Contributions                            |     | 475             | 493             | –               | –                    | –               | –                  | –   | –                      | –                      |
| Medical Aid Contributions                                |     | 46              | 31              | –               | –                    | –               | –                  | –   | –                      | –                      |
| Overtime   |     | 3               | 3               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Performance Bonus  |     | 412             | 359             | –               | –                    | –               | –                  | –   | –                      | –                      |
| Motor Vehicle Allowance                                  | 3   | 414             | 348             | –               | –                    | –               | –                  | –   | –                      | –                      |
| Cellphone Allowance                                      | 3   | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Housing Allowances                                       | 3   | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Other benefits and allowances                            | 3   | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Payments in lieu of leave                                |     | 147             | 23              | –               | –                    | –               | –                  | –   | –                      | –                      |
| Long service awards                                      |     | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Post-retirement benefit obligations                      | 6   | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <b>Sub Total - Senior Managers of Municipality</b>       |     | <b>4 586</b>    | <b>4 286</b>    | <b>–</b>        | <b>–</b>             | <b>–</b>        | <b>–</b>           | <b>–</b>  | <b>–</b>               | <b>–</b>               |
| <b>% increase</b>  | 4   |                 | (6.5%)          | (100.0%)        | –                    | –               | –                  | –   | –                      | –                      |
| <b>Other Municipal Staff</b>                             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 41 338          | 47 954          | 55 848          | 63 286               | 63 248          | 63 248             | 66 536  | 71 191                 | 76 171                 |
| Pension and UIF Contributions                            |     | 8 536           | 6 549           | 8 007           | 10 056               | 9 844           | 9 844              | 10 719  | 11 463                 | 12 259                 |
| Medical Aid Contributions                                |     | 1 074           | 1 147           | 1 185           | 1 281                | 1 281           | 1 281              | 1 376   | 1 473                  | 1 576                  |
| Overtime   |     | 2 316           | 3 266           | 3 196           | 1 935                | 1 935           | 1 935              | 1 594   | 1 705                  | 1 824                  |
| Performance Bonus  |     | –               | –               | –               | –                    | –               | –                  | 661   | 707                    | 756                    |
| Motor Vehicle Allowance                                  | 3   | 944             | 1 237           | 1 709           | 2 005                | 2 005           | 2 005              | 2 123   | 2 257                  | 2 400                  |
| Cellphone Allowance                                      | 3   | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Housing Allowances                                       | 3   | 252             | 246             | 271             | 270                  | 272             | 272                | 885   | 947                    | 1 013                  |
| Other benefits and allowances                            | 3   | 1 153           | 1 656           | 1 423           | 1 254                | 1 254           | 1 254              | 1 457   | 1 558                  | 1 668                  |
| Payments in lieu of leave                                |     | 954             | 517             | 622             | 200                  | 200             | 200                | 300   | 318                    | 337                    |
| Long service awards                                      |     | 366             | 276             | 647             | 310                  | 310             | 310                | 452   | 479                    | 507                    |
| Post-retirement benefit obligations                      | 6   | 815             | 780             | 4               | 931                  | 931             | 931                | 850   | 901                    | 955                    |
| <b>Sub Total - Other Municipal Staff</b>                 |     | <b>57 749</b>   | <b>63 628</b>   | <b>72 911</b>   | <b>81 529</b>        | <b>81 281</b>   | <b>81 281</b>      | <b>86 951</b>                                       | <b>92 998</b>          | <b>99 467</b>          |
| <b>% increase</b>  | 4   |                 | 10.2%           | 14.6%           | 11.8%                | (0.3%)          | –                  | 7.0%  | 7.0%                   | 7.0%                   |
| <b>Total Parent Municipality</b>                         |     | <b>66 271</b>   | <b>71 808</b>   | <b>77 220</b>   | <b>86 245</b>        | <b>85 997</b>   | <b>85 997</b>      | <b>91 868</b>                                       | <b>98 210</b>          | <b>104 991</b>         |
|  |     |                 | 8.4%            | 7.5%            | 11.7%                | (0.3%)          | –                  | 6.8%  | 6.9%                   | 6.9%                   |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>           |     | <b>66 271</b>   | <b>71 808</b>   | <b>77 220</b>   | <b>86 245</b>        | <b>85 997</b>   | <b>85 997</b>      | <b>91 868</b>                                       | <b>98 210</b>          | <b>104 991</b>         |
| <b>% increase</b>  | 4   |                 | 8.4%            | 7.5%            | 11.7%                | (0.3%)          | –                  | 6.8%  | 6.9%                   | 6.9%                   |
| <b>TOTAL MANAGERS AND STAFF</b>                          | 5,7 | <b>62 335</b>   | <b>67 914</b>   | <b>72 911</b>   | <b>81 529</b>        | <b>81 281</b>   | <b>81 281</b>      | <b>86 951</b>                                       | <b>92 998</b>          | <b>99 467</b>          |

## 2.4 Operating revenue and expenditure projections

| Description   | Ref | Budget Year 2016/17 |         |         |         |          |          |         |          |        |         |         |         | Medium Term Revenue and Expenditure Framework |             |             |
|---|-----|---------------------|---------|---------|---------|----------|----------|---------|----------|--------|---------|---------|---------|---|-------------|-------------|
|   |     |                     |         |         |         |          |          |         |          |        |         |         |         | Budget Year                                   | Budget Year | Budget Year |
|   |     | July                | August  | Sept.   | October | November | December | January | February | March  | April   | May     | June    | 2016/17                                       | +1 2017/18  | +2 2018/19  |
| R thousand  |     |                     |         |         |         |          |          |         |          |        |         |         |         |   |             |             |
| <b>Revenue By Source</b>                                      |     |                     |         |         |         |          |          |         |          |        |         |         |         |   |             |             |
| Property rates  |     | 2 309               | 2 309   | 2 309   | 2 309   | 2 309    | 2 309    | 2 309   | 2 309    | 2 309  | 2 309   | 2 309   | 2 309   | 27 705  | 29 367      | 31 129      |
| Property rates - penalties & collection charges               |     | 50                  | 50      | 50      | 50      | 50       | 50       | 50      | 50       | 50     | 50      | 50      | 50      | 600   | 636         | 674         |
| Service charges - electricity revenue                         |     | 6 055               | 6 055   | 6 055   | 6 055   | 6 055    | 6 055    | 6 055   | 6 055    | 6 055  | 6 055   | 6 055   | 6 055   | 72 655  | 77 014      | 81 635      |
| Service charges - water revenue                               |     | 1 499               | 1 499   | 1 499   | 1 499   | 1 499    | 1 499    | 1 499   | 1 499    | 1 499  | 1 499   | 1 499   | 1 499   | 17 993  | 19 073      | 20 217      |
| Service charges - sanitation revenue                          |     | 1 113               | 1 113   | 1 113   | 1 113   | 1 113    | 1 113    | 1 113   | 1 113    | 1 113  | 1 113   | 1 113   | 1 113   | 13 361  | 13 406      | 14 211      |
| Service charges - refuse revenue                              |     | 570                 | 570     | 570     | 570     | 570      | 570      | 570     | 570      | 570    | 570     | 570     | 570     | 6 843   | 7 253       | 7 689       |
| Service charges - other                                       |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Rental of facilities and equipment                            |     | 106                 | 106     | 106     | 106     | 106      | 106      | 106     | 106      | 106    | 106     | 106     | 106     | 1 275   | 1 351       | 1 433       |
| Interest earned - external investments                        |     | 105                 | 105     | 105     | 105     | 105      | 105      | 105     | 105      | 105    | 105     | 105     | 105     | 1 260   | 1 336       | 1 416       |
| Interest earned - outstanding debtors                         |     | 174                 | 174     | 174     | 174     | 174      | 174      | 174     | 174      | 174    | 174     | 174     | 174     | 2 087   | 2 212       | 2 345       |
| Dividends received  |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Fines   |     | 4 117               | 4 117   | 4 117   | 4 117   | 4 117    | 4 117    | 4 117   | 4 117    | 4 117  | 4 117   | 4 117   | 4 117   | 49 409  | 49 374      | 50 016      |
| Licences and permits  |     | 51                  | 51      | 51      | 51      | 51       | 51       | 51      | 51       | 51     | 51      | 51      | 51      | 610   | 647         | 686         |
| Agency services   |     | 56                  | 56      | 56      | 56      | 56       | 56       | 56      | 56       | 56     | 56      | 56      | 56      | 670   | 710         | 753         |
| Transfers recognised - operating                              |     | 16 963              | 1 440   | 1 440   | 1 440   | 16 963   | 1 440    | 1 440   | 1 440    | 16 963 | 1 440   | 1 440   | 1 490   | 63 897  | 87 127      | 92 019      |
| Other revenue   |     | 198                 | 198     | 198     | 198     | 198      | 198      | 198     | 198      | 198    | 198     | 198     | 1 348   | 3 527   | 1 403       | 1 487       |
| Gains on disposal of PPE                                      |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Total Revenue (excluding capital transfers and contributions) |     | 33 367              | 17 844  | 17 844  | 17 844  | 33 367   | 17 844   | 17 844  | 17 844   | 33 367 | 17 844  | 17 844  | 19 044  | 261 892                                       | 290 910     | 305 709     |
| <b>Expenditure By Type</b>                                    |     |                     |         |         |         |          |          |         |          |        |         |         |         |   |             |             |
| Employee related costs  |     | 7 246               | 7 246   | 7 246   | 7 246   | 7 246    | 7 246    | 7 246   | 7 246    | 7 246  | 7 246   | 7 246   | 7 246   | 86 951  | 92 998      | 99 467      |
| Remuneration of councillors                                   |     | 414                 | 414     | 414     | 414     | 414      | 414      | 414     | 414      | 414    | 414     | 414     | 414     | 4 967   | 5 265       | 5 581       |
| Debt impairment   |     | 3 103               | 3 103   | 3 103   | 3 103   | 3 103    | 3 103    | 3 103   | 3 103    | 3 103  | 3 103   | 3 103   | 3 103   | 37 233  | 39 467      | 41 835      |
| Depreciation & asset impairment                               |     | 1 346               | 1 346   | 1 346   | 1 346   | 1 346    | 1 346    | 1 346   | 1 346    | 1 346  | 1 346   | 1 346   | 1 346   | 16 152  | 15 095      | 13 444      |
| Finance charges   |     | 136                 | 136     | 136     | 136     | 136      | 136      | 136     | 136      | 136    | 136     | 136     | 136     | 1 633   | 1 466       | 1 244       |
| Bulk purchases  |     | 5 437               | 5 437   | 5 437   | 5 437   | 5 437    | 5 437    | 5 437   | 5 437    | 5 437  | 5 437   | 5 437   | 5 437   | 65 244  | 67 569      | 71 623      |
| Other materials   |     | 1 824               | 1 824   | 1 824   | 1 824   | 1 824    | 1 824    | 1 824   | 1 824    | 1 824  | 1 824   | 1 824   | 1 824   | 21 892  | 27 472      | 28 819      |
| Contracted services   |     | 665                 | 665     | 665     | 665     | 665      | 665      | 665     | 665      | 665    | 665     | 665     | 665     | 7 982   | 8 445       | 8 967       |
| Transfers and grants  |     | 13                  | 13      | 13      | 13      | 13       | 13       | 13      | 13       | 13     | 13      | 13      | 12      | 150   | 159         | 169         |
| Other expenditure   |     | 2 863               | 2 863   | 2 863   | 2 863   | 2 863    | 2 863    | 2 863   | 2 863    | 2 863  | 2 863   | 2 863   | 2 263   | 33 756  | 51 092      | 52 899      |
| Loss on disposal of PPE                                       |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Total Expenditure   |     | 23 047              | 23 047  | 23 047  | 23 047  | 23 047   | 23 047   | 23 047  | 23 047   | 23 047 | 23 047  | 23 047  | 22 447  | 275 960                                       | 309 029     | 324 047     |
| Surplus/(Deficit)   |     | 10 320              | (5 203) | (5 203) | (5 203) | 10 320   | (5 203)  | (5 203) | (5 203)  | 10 320 | (5 203) | (5 203) | (3 403) | (14 068)                                      | (18 119)    | (18 338)    |
| Transfers recognised - capital                                |     | 2 462               | 2 462   | 2 462   | 2 462   | 2 462    | 2 462    | 2 462   | 2 462    | 2 462  | 2 462   | 2 462   | 3 462   | 30 545  | 30 204      | 26 546      |
| Contributions recognised - capital                            |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Contributed assets  |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Surplus/(Deficit) after capital transfers & contributions     |     | 12 782              | (2 741) | (2 741) | (2 741) | 12 782   | (2 741)  | (2 741) | (2 741)  | 12 782 | (2 741) | (2 741) | 59      | 16 477  | 12 085      | 8 208       |
| Taxation  |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Attributable to minorities                                    |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Share of surplus/ (deficit) of associate                      |     | -                   | -       | -       | -       | -        | -        | -       | -        | -      | -       | -       | -       | -   | -           | -           |
| Surplus/(Deficit)   | 1   | 12 782              | (2 741) | (2 741) | (2 741) | 12 782   | (2 741)  | (2 741) | (2 741)  | 12 782 | (2 741) | (2 741) | 59      | 16 477  | 12 085      | 8 208       |

## 2.5 Total Cash flow projections

| MONTHLY CASH FLOWS                                      | Budget Year 2016/17 |                |                |                |               |                |                |                |               |                |                |                | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|---------------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---|------------------------|------------------------|
|   | July                | August         | Sept.          | October        | November      | December       | January        | February       | March         | April          | May            | June           | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                                       |                     |                |                |                |               |                |                |                |               |                |                |                |   |                        |                        |
| <b>Cash Receipts By Source</b>                          |                     |                |                |                |               |                |                |                |               |                |                |                |   |                        |                        |
| Property rates  | 2 169               | 2 169          | 2 169          | 2 169          | 2 169         | 2 169          | 2 169          | 2 169          | 2 169         | 2 169          | 2 169          | 2 169          | 26 030  | 26 417                 | 27 379                 |
| Property rates - penalties & collection charges         | 47                  | 47             | 47             | 47             | 47            | 47             | 47             | 47             | 47            | 47             | 47             | 47             | 564   | 572                    | 593                    |
| Service charges - electricity revenue                   | 5 689               | 5 689          | 5 689          | 5 689          | 5 689         | 5 689          | 5 689          | 5 689          | 5 689         | 5 689          | 5 689          | 5 689          | 68 263  | 69 278                 | 71 802                 |
| Service charges - water revenue                         | 1 409               | 1 409          | 1 409          | 1 409          | 1 409         | 1 409          | 1 409          | 1 409          | 1 409         | 1 409          | 1 409          | 1 409          | 16 906  | 17 157                 | 17 782                 |
| Service charges - sanitation revenue                    | 1 046               | 1 046          | 1 046          | 1 046          | 1 046         | 1 046          | 1 046          | 1 046          | 1 046         | 1 046          | 1 046          | 1 046          | 12 554  | 12 060                 | 12 499                 |
| Service charges - refuse revenue                        | 536                 | 536            | 536            | 536            | 536           | 536            | 536            | 536            | 536           | 536            | 536            | 536            | 6 429   | 6 525                  | 6 762                  |
| Service charges - other                                 | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Rental of facilities and equipment                      | 100                 | 100            | 100            | 100            | 100           | 100            | 100            | 100            | 100           | 100            | 100            | 100            | 1 197   | 1 216                  | 1 260                  |
| Interest earned - external investments                  | 105                 | 105            | 105            | 105            | 105           | 105            | 105            | 105            | 105           | 105            | 105            | 105            | 1 260   | 1 336                  | 1 416                  |
| Interest earned - outstanding debtors                   | 163                 | 163            | 163            | 163            | 163           | 163            | 163            | 163            | 163           | 163            | 163            | 163            | 1 960   | 1 990                  | 2 062                  |
| Dividends received                                      | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Fines   | 1 701               | 1 701          | 1 701          | 1 701          | 1 701         | 1 701          | 1 701          | 1 701          | 1 701         | 1 701          | 1 701          | 1 701          | 20 409  | 20 374                 | 21 016                 |
| Licences and permits                                    | 51                  | 51             | 51             | 51             | 51            | 51             | 51             | 51             | 51            | 51             | 51             | 51             | 610   | 647                    | 686                    |
| Agency services   | 56                  | 56             | 56             | 56             | 56            | 56             | 56             | 56             | 56            | 56             | 56             | 56             | 670   | 710                    | 753                    |
| Transfer receipts - operational                         | 16 963              | 1 440          | 1 440          | 1 440          | 16 963        | 1 440          | 1 440          | 1 440          | 16 963        | 1 440          | 1 440          | 1 490          | 63 897  | 87 127                 | 92 019                 |
| Other revenue   | 294                 | 294            | 294            | 294            | 294           | 294            | 294            | 294            | 294           | 294            | 294            | 294            | 3 527   | 1 403                  | 1 487                  |
| <b>Cash Receipts by Source</b>                          | <b>30 328</b>       | <b>14 805</b>  | <b>14 805</b>  | <b>14 805</b>  | <b>30 328</b> | <b>14 805</b>  | <b>14 805</b>  | <b>14 805</b>  | <b>30 328</b> | <b>14 805</b>  | <b>14 805</b>  | <b>14 855</b>  | <b>224 276</b>                                | <b>246 810</b>         | <b>257 517</b>         |
| <b>Other Cash Flows by Source</b>                       |                     |                |                |                |               |                |                |                |               |                |                |                |   |                        |                        |
| Transfer receipts - capital                             | 2 545               | 2 545          | 2 545          | 2 545          | 2 545         | 2 545          | 2 545          | 2 545          | 2 545         | 2 545          | 2 545          | 2 545          | 30 545  | 30 204                 | 26 546                 |
| Contributions recognised - capital & Contributed assets | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Proceeds on disposal of PPE                             | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Short term loans  | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Borrowing long term/refinancing                         | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Increase (decrease) in consumer deposits                | 5                   | 5              | 5              | 5              | 5             | 5              | 5              | 5              | 5             | 5              | 5              | 5              | 55  | 57                     | 59                     |
| Decrease (increase) in non-current debtors              | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Decrease (increase) other non-current receivables       | (9)                 | (9)            | (9)            | (9)            | (9)           | (9)            | (9)            | (9)            | (9)           | (9)            | (9)            | (9)            | (110)   | (117)                  | (124)                  |
| Decrease (increase) in non-current investments          | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| <b>Total Cash Receipts by Source</b>                    | <b>32 869</b>       | <b>17 346</b>  | <b>17 346</b>  | <b>17 346</b>  | <b>32 869</b> | <b>17 346</b>  | <b>17 346</b>  | <b>17 346</b>  | <b>32 869</b> | <b>17 346</b>  | <b>17 346</b>  | <b>17 396</b>  | <b>254 766</b>                                | <b>276 954</b>         | <b>283 999</b>         |
| <b>Cash Payments by Type</b>                            |                     |                |                |                |               |                |                |                |               |                |                |                |   |                        |                        |
| Employee related costs                                  | 7 121               | 7 121          | 7 121          | 7 121          | 7 121         | 7 121          | 7 121          | 7 121          | 7 121         | 7 121          | 7 121          | 7 121          | 85 451  | 91 415                 | 97 795                 |
| Remuneration of councillors                             | 414                 | 414            | 414            | 414            | 414           | 414            | 414            | 414            | 414           | 414            | 414            | 414            | 4 967   | 5 265                  | 5 581                  |
| Finance charges   | 136                 | 136            | 136            | 136            | 136           | 136            | 136            | 136            | 136           | 136            | 136            | 136            | 1 633   | 1 466                  | 1 244                  |
| Bulk purchases - Electricity                            | 4 679               | 4 679          | 4 679          | 4 679          | 4 679         | 4 679          | 4 679          | 4 679          | 4 679         | 4 679          | 4 679          | 4 679          | 56 143  | 60 685                 | 63 864                 |
| Bulk purchases - Water & Sewer                          | 625                 | 625            | 625            | 625            | 625           | 625            | 625            | 625            | 625           | 625            | 625            | 625            | 7 506   | 6 531                  | 6 874                  |
| Other materials   | 1 780               | 1 780          | 1 780          | 1 780          | 1 780         | 1 780          | 1 780          | 1 780          | 1 780         | 1 780          | 1 780          | 1 780          | 21 357  | 27 329                 | 28 463                 |
| Contracted services                                     | 649                 | 649            | 649            | 649            | 649           | 649            | 649            | 649            | 649           | 649            | 649            | 649            | 7 787   | 8 401                  | 8 857                  |
| Transfers and grants - other municipalities             | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| Transfers and grants - other                            | 13                  | 13             | 13             | 13             | 13            | 13             | 13             | 13             | 13            | 13             | 13             | 13             | 150   | 159                    | 169                    |
| Other expenditure                                       | 2 734               | 2 734          | 2 734          | 2 734          | 2 734         | 2 734          | 2 734          | 2 734          | 2 734         | 2 734          | 2 734          | 2 734          | 32 814  | 50 703                 | 52 116                 |
| <b>Cash Payments by Type</b>                            | <b>18 151</b>       | <b>18 151</b>  | <b>18 151</b>  | <b>18 151</b>  | <b>18 151</b> | <b>18 151</b>  | <b>18 151</b>  | <b>18 151</b>  | <b>18 151</b> | <b>18 151</b>  | <b>18 151</b>  | <b>18 151</b>  | <b>217 808</b>                                | <b>251 955</b>         | <b>264 962</b>         |
| <b>Other Cash Flows/Payments by Type</b>                |                     |                |                |                |               |                |                |                |               |                |                |                |   |                        |                        |
| Capital assets  | 2 681               | 2 681          | 2 681          | 2 681          | 2 681         | 2 681          | 2 681          | 2 681          | 2 681         | 2 681          | 2 681          | 2 681          | 32 168  | 14 204                 | 14 774                 |
| Repayment of borrowing                                  | 160                 | 160            | 160            | 160            | 160           | 160            | 160            | 160            | 160           | 160            | 160            | 160            | 1 920   | 6 039                  | 4 476                  |
| Other Cash Flows/Payments                               | -                   | -              | -              | -              | -             | -              | -              | -              | -             | -              | -              | -              | -   | -                      | -                      |
| <b>Total Cash Payments by Type</b>                      | <b>20 991</b>       | <b>20 991</b>  | <b>20 991</b>  | <b>20 991</b>  | <b>20 991</b> | <b>20 991</b>  | <b>20 991</b>  | <b>20 991</b>  | <b>20 991</b> | <b>20 991</b>  | <b>20 991</b>  | <b>20 991</b>  | <b>251 895</b>                                | <b>272 198</b>         | <b>284 211</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>             | <b>11 877</b>       | <b>(3 646)</b> | <b>(3 646)</b> | <b>(3 646)</b> | <b>11 877</b> | <b>(3 646)</b> | <b>(3 646)</b> | <b>(3 646)</b> | <b>11 877</b> | <b>(3 646)</b> | <b>(3 646)</b> | <b>(3 596)</b> | <b>2 871</b>                                  | <b>4 757</b>           | <b>(213)</b>           |
| Cash/cash equivalents at the month/year begin:          | 6 006               | 17 883         | 14 238         | 10 592         | 6 946         | 18 824         | 15 178         | 11 532         | 7 887         | 19 764         | 16 118         | 12 472         | 6 006   | 8 877                  | 13 634                 |
| Cash/cash equivalents at the month/year end:            | 17 883              | 14 238         | 10 592         | 6 946          | 18 824        | 15 178         | 11 532         | 7 887          | 19 764        | 16 118         | 12 472         | 8 877          | 8 877   | 13 634                 | 13 421                 |

## 2.6 The Quality Certificate

- a) In my capacity as the municipal manager of the Beaufort West Local Municipality, I hereby certify that the draft annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

\_\_\_\_\_  
Jafta Booysen

Beaufort West Local Municipality (WC053)

\_\_\_\_\_  
Date

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